

JPRS-UWE-86-005

8 APRIL 1986

USSR Report

WORLD ECONOMY AND INTERNATIONAL RELATIONS

No 1, JANUARY 1986

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

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8 April 1986

USSR REPORT
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No 1, January 1986

Translation of the Russian-language monthly journal MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA published in Moscow by the Institute of World Economy and International Relations, USSR Academy of Sciences.

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PUBLICATION DATA

English title : WORLD ECONOMY AND INTERNATIONAL
RELATIONS No 1

Russian title : MIROVAYA EKONOMIKA I MEZHDUNARODNYYE
OTNOSHENIYA

Author(s) :

Editor(s) : Ya.S. Khavinson

Publishing House : Izdatel'stvo TsK KPSS "Pravda"

Place of publication : Moscow

Date of Publication : 1 January 1986

Signed to press : 13 Dec 1985

Copies : 27,000

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"Mirovaya ekonomika i mezdunarodnyye
otnosheniya", 1986

ENGLISH SUMMARY OF MAJOR ARTICLES

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 158-159

[Text] The most acute issue facing mankind today is that of war and peace, points out Yu. Krasin in the article "Strategy of Peace--An Imperative of the Epoch". In view of the situation which has taken shape in the world a new approach to the solution of the tasks facing the working class, democratic and all peaceloving forces of today are being mapped out because the threat of a world nuclear war in our time is tantamount to the threat of the very existence of civilization and even life on Earth. The task of maintaining peace is becoming the strategic goal of the communists, being undoubtedly one of the top priority. The article points out that the Marxist-Leninist ideology which voices the interests of the vanguard class of the epoch reveals extensive opportunities for a scientific comprehension of the changes in social consciousness. The author pays special attention to the role of anti-war movement, its mass character and the complexity of the process. The article notes that the anti-war movement which has transformed into an independent political power can make headway only if it is not isolated from the main force of today--real socialism, international working class and its political parties and organizations. The communist line is a policy of building a wide and flexible system of alliances, agreements and joint actions with due respect to the independence of various anti-war movements. Of course, the deep socio-class and ideological divergencies do exist in the world. At the same time in face of the global problems and predominantly in face of the danger that looms over the humanity on the threshold of the third millennium does not exist any other alternative for all the states except the one of mastering the great art of living together, for the point at issue today is the preservation of civilization and life itself.

O. Bykov in the article "Real Opportunity for Curbing Arms Race" touches upon some real measures on a radical reduction of nuclear arms and in the long run their full elimination by all nuclear states. At the Soviet-American summit in Geneva the leaders of the two great powers which bear special responsibilities for the fate of the world acknowledged the importance of averting any war between the USSR and USA--nuclear or conventional--and proposed that they will not strive for the attainment of military superiority. Thereby there does exist a perspective for efforts to reach mutually acceptable decisions on radical reductions of the existing nuclear arms arsenals provided the space strike systems are banned. The article shows the constructive and consistent Soviet policy which greatly contributed to the positive development of the Soviet-American dialogue. The

Soviet Union in the struggle for the deliverance of humanity from the threat of annihilation and the burden of armaments is firmly and purposefully carrying out the Leninist course of peace. Such a policy is ardently and unreservedly supported by the Soviet people, advancing as they are to an important event in the country's life--the 27th Congress of the CPSU. The article stresses that the Soviet people are determined by hard work to reach new landmarks in socialist construction in strengthening the Motherland's economic and defence might, in the cultural and social development of the society. This is the reliable foundation of the Soviet Union's policy of peace.

V. Kudryavtsev in the article "Two Worlds--Two Concepts of Human Rights" considers certain reasons, instrumental to the aggravation of the ideological struggle on the Human Rights problems in the last few years and notes that the principle one is the fact that ever wider strata of working people of different countries and continents are joining the struggle for political, social and national interests. The level of class-consciousness is maturing as is their readiness to gain and defend their rights. The threat of new world war which has arisen as a result of the aggressive policy of the imperialist states acutely poses the question how to defend the most important human right--the right to life and peace. The article stresses that all states and entire humanity have to join their efforts to defend the interests and sacred rights of man. At the same time the imperialists try, by all possible means, to preserve the principles of the bourgeois way of life and impose them upon other states even by force. The article exposes the anti-communist fabrications concerning human rights and explains the basic Marxist concepts on these rights, laying special emphasis on the basic distinction between the socialist and bourgeois ideology in their approach to one of the most important problems of the time. The article notes the great importance of international cooperation in this field and stresses that only by adhering firmly to the principles of sovereign equality of states and noninterference in their internal affairs can one succeed in bringing about detent and secure fruitful cooperation of states in the humanitarian and other spheres, human rights included.

The wide scope of state monopoly regulation tools is used to provide for the economic exploitation of various countries on behalf of American imperialism. D. Smyslov in the article "The Dollar at Service of American Imperialism" points that with the right-wing party at power the U.S. global expansion has gained new impetus, though its actual mechanism has undergone considerable changes. Instead of massive exodus of dollars in the recent past, nowadays one can observe the reverse inflow of short-term capital--the so-called "hot money". The author accounts for these shifts substantiating his arguments by the detailed historic overview of the dollar role in the capitalist monetary system since the Bretton Woods agreement. The evolution of the dollar status in the system of the international liquidity, its transformation into some kind of "dollar standard" with the dollar as the "world money" are outlined. The dollar is no more only the medium of the international settlements, it has become an offensive weapon of the U.S. imperialism, which strives to exploit the economies of the non-socialist countries. The monetary policy of Reagan administration gains special importance, for this very administration has declared the strong determination to offset the relative weakening of the U.S. world position during the recent decade by the fostering of American foreign expansion. The author specifies the administrative techniques and behaviours in the monetary field in the early 80's

and summarizes the discovered trends. He assess probable future developments concerning the role of the dollar, the U.S. p.o.b. situation, the rise of American foreign indebtedness and discusses the implications of the monetary disorders for the prospects of the interimperialist rivalry, for the further development of the North-South relationship.

The article "Western Europe-Forms of Economic Ties on Private Enterprises Level" (by A. Shebanov and V. Kapustin) focuses on market and non-market economic relations in conformity with the existing high level of concentration of capital and an active introduction of scientific progress into management and production. The authors note that growing competition makes the corporations ever more often to resort to the employment of restrictive business practices in order to enhance competitiveness and to win the market. By concrete example the authors show the specific character of intercorporate ties, relations between independent enterprises, role of small business in the economic mechanism of the West-European countries. The article also examines the various forms of interfirrm cooperation, subcontract relations and the setting of joint ventures.

I. Aleshina in the article "Social Thought of Developing Countries--a Problem of the Struggle for Independence" considers the non-Marxist theoretical concepts which interpret one of the most distinctive features of the developing society-dependency. The author reveals the objective premises for these concepts, shows their evolution, critically analyzes their methodology and substances, namely, "dependency approach". The article exposes the existing acute divergences on the issue of dependency between the Western branch of non-Marxist political economy and the social thought of the developing countries. The author emphasizes the anti-imperialist trend of the latter and at the same time warns against erroneous attempts to explain by dependency the entire complex of socio-economic contradictions of the developing countries, advancing along the capitalist road.

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CSO: 1816/05

FOREIGN POLICY ASPECTS OF NEW PARTY PROGRAM

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 3-12

[Article by Yu. Krasin: "A Strategy of Peace Is the Imperative of the Epoch"]

[Text] "The most acute issue facing mankind today is that of war and peace." The deep concern of the Leninist party about the present state of international relations is laconically expressed in these words in the draft new edition of the CPSU Program. It may be boldly asserted that the struggle for peace has moved into the center of world politics and has acquired truly decisive significance for the fate of human society. As M.S. Gorbachev noted in his report at the session of the USSR Supreme Soviet, it is necessary "to comprehend the great science of living together." Naturally, this cannot but be reflected in Marxist political thinking and in the strategy of communist parties. A creative process taking into account the situation which has formed in the world is now occurring, a process of the development of fresh approaches to the solution of the tasks facing the workers class and all democratic and peace-loving forces of the contemporary period.

The Preservation of Peace--An Independent Strategic Goal

In our time the danger of a world thermonuclear war is equal to a threat to the existence of civilization and even to life itself on earth. This truth makes it necessary to re-evaluate the entire meaning of the activity of revolutionary parties of the workers class. The struggle for peace, which has always been regarded as a most important democratic task by Marxists, is now becoming an imperative demand. The very preconditions for social progress and the implementation of the communist ideal depend on the positive resolution of this struggle. For this reason the struggle for peace is becoming an independent strategic goal for Communists, a goal which has undoubted priority over others.

The acuteness of mankind's global problems, and primarily the problems of war and peace, are activating increasingly wide social forces, who are striving for international contacts and cooperation in solving these problems. The need for peace corresponds to the interests of all countries, peoples, classes, and social groups. A situation has formed in which the different social systems can survive and perish only together. This graphically demonstrates the community of fate of all peoples. Despite the deep social-class and ideological differences, mankind is gaining an increasingly aware perception of itself as a unified, although

contradictory, whole in the face of the global problems which have become imminent, and of the main one, which is the preservation of the human species.

The parameters of social awareness which are common to all of mankind are standing out in ever greater relief, parameters which influence the political thinking and world outlook of state figures and scientists and the minds of hundreds of millions of people who adhere to different or even directly opposing views on various questions. This element of social awareness, which is essentially worldwide in nature and scale, is becoming an increasingly effective factor in the international solidarity of different sociopolitical forces.

Expressing the interests of the leading class of the epoch, Marxist-Leninist ideology opens up wide possibilities for a scientific understanding of the shifting in social consciousness. Nevertheless, the assimilation of new international realities in Marx's thinking is attended both by the overcoming of the inertia of obsolete ideas and by the danger of introducing innovations which have nothing in common with the fundamental principles of scientific ideology or with the class approach to politics. As long as substantial differences exist in the objective position of various countries and various classes within the system of social relations, even a recognition by people of mankind's basic needs does not mean the end of ideology. At the same time, the processes of the globalization of international relations prepare the ground for the appearance of objectivist tendencies which place the social-class content of some or other states' foreign policy in the shade.

Such an objectivist methodology has become widespread in the social thought of capitalist countries. As a rule, bourgeois political scientists approach the examination of international problems from abstract, nonclass positions. Resorting to the creation of "global models," they are diverted from the social-class content of states' foreign policy activity, which is determined by these states' social nature. Objectivist tendencies in evaluating world reality and world politics are also met in certain circles of the workers movement. They are especially graphically manifest in the so-called theory of the "equal responsibility" of the United States and the USSR for international tension and for the arms race.

According to this theory, the source of the danger of war in the contemporary world is not the aggressive nature of imperialism, but the mutual rivalry between the two great powers--the United States and the USSR--and the two military blocs--NATO and the Warsaw Pact. It seems that responsibility for the military confrontation and the arms race is not borne by reactionary imperialist circles, but is distributed as if "in equal measure" between the two great powers, each of which is "striving for world hegemony." It turns out that the threat to peace does not come from the military-industrial complex of imperialism, but results from the conflict between the "great-power aspirations" of the United States and the USSR.

The methodological invalidity of the theory of "equal responsibility" lies in its scholastic abstraction from the concrete historical realities of the contemporary epoch. The depiction of international life is not only simplified but is also devoid of any socioeconomic characterization of social systems; only a formalized scheme of international interaction remains. The theory of "equal

"responsibility" evades class evaluations of events in world politics and revelation of the social causes of international tension.

The negative political role of this theory lies in the fact that it masks the real source of the danger of war and slurs over the opposition of the very nature and essence of the courses of imperialism and socialism. The watershed between the line of peace and the line of war is drawn in a position different from the real one. Instead of rallying peace-loving forces in an anti-imperialist basis they would like to unite them on an artificially created platform of opposition to the two superpowers.

It is clear that this approach is objectively grist for the mill of imperialist reaction. W. Kashtan, general secretary of the Communist Party of Canada writes: "Those who adhere to the position of dual responsibility are for all intents and purposes contributing to weakening the struggle for peace, since they cannot concentrate their efforts on the genuine enemy--imperialism."

The reasons for a certain currency of the concept of the "equal responsibility of the superpowers" for international tension have their roots in the heterogeneity of the social basis of the peace movement. There is a considerable number of people participating in it who do not accept socialism and who do not share the internationalist principles of its foreign policy. The concept of "equal responsibility" corresponds better than ever before to the aspirations of those who, while participating in the struggle for peace, have not yet overcome the inertia of anti-Sovietism.

It is not difficult to see that the "objectivism" behind which the theory of "equal responsibility" and "equal distance" hide leads to the disconnection of evaluations of acute situations and conflict which arise in some or other regions from the real content of our epoch and of the intense struggle of the two social systems in the international arena. And this serves as the methodological basis for one-sided and erroneous views. Regional conflicts are regarded outside the worldwide system of coordinates, in isolation from the positions of the social forces and states participating in them, between which deep sociopolitical differences exist.

Life refutes the theory of "equal responsibility." This theory dissipates under pressure from the USSR's peace initiatives. Evidence of the Soviet state's good intentions is provided by the complex proposed by it of constructive and realistic measures aimed at ensuring a turning-point in international development, toward peace, security, and cooperation between peoples. The most important of them speak for themselves: the proposals to totally ban space-based strike weapons, to radically reduce, by 50 percent, nuclear weapons which reach each other's territory, and to move the question of mutual reduction of medium-range nuclear weapons in Europe out of deadlock. Socialism opposes the U.S. "star wars" concept with a constructive strategy of "star peace."

A clear change in attitudes has recently been occurring among adherents of the theory of "equal responsibility." To an increasing extent the accent is being transferred to criticism of the Washington administration. Unbiased analysis of the foreign policy of the USSR and the United States makes it possible to give a clear reply to the question of which social system is creating real conditions

for strengthening peace and which is contributing to the destabilization of the international situation and to whipping up distrust and confrontation. It is becoming increasingly evident that an anti-imperialist, anti-militarist orientation is an indispensable condition for a true peace strategy. Substantiation of the goal of ensuring a stable peace as a strategic task of Communists also requires an answer to another principled question: Can this goal be reached as long as imperialism exists, giving rise to aggressive tendencies in policy and to aggressive wars?

The opinion is current among a proportion of theoreticians of the left-radical persuasion that capitalism is not incapable of functioning without a military economy, and that the military-industrial complex is in fact what contemporary capitalism is. From this point of view the arms race is an inseparable quality or attribute of capitalism and consequently it is impossible either to halt the arms race or achieve even partial disarmament as long as the capitalist system exists. In other words, the shift to a lasting and guaranteed peace requires the abolition of capitalism.

The politically damaging nature of this allegedly radical position is self-evident. First, it is deeply pessimistic, since it places the achievement of a stable peace outside the bounds of the contemporary epoch and in essence asserts the futility of present efforts to ensure it. Second, this position contains a concealed danger of adventurism, since it latently encourages the "urging on" of the revolutionary process supposedly in order to achieve peace, whereas it is well known that revolutions are not made to order, but grow out of internal social-class contradictions. Third, this is essentially a sectarian position, since it repels broad social strata which do not share socialist ideals from the struggle for peace.

But the main point is that the invalidity of such a position lies in the fact that capitalism is regarded in an abstract manner, placed in some world vacuum, and analysed outside the connections which really exist and outside the social international environment in which it is immersed and which is exerting an influence on it to an increasing extent, up to a point where it modifies the laws of development of capitalism and the forms of their manifestation. In these conditions the aggressive tendencies inherent in imperialism can be, if not blocked, then at least limited and curbed.

Today, too, imperialism is aggressive by nature. There are expansionist aspirations peculiar to it which move it to interfere in the internal affairs of other countries. Class enmity toward socialism and the entire world revolutionary process prompt it to carry ideological contradictions over to interstate relations and to proclaim "crusades" against socialist countries. But in the present transitional epoch there are also powerful forces counteracting this course. First and foremost, this includes real socialism, the peacemaking energy of which grows in line with the revelation of its inexhaustible internal potential and with the acceleration of its socioeconomic development. An increasingly active role in the struggle for peace is being played by the workers class and its professional and political organizations. The international authority of the Nonaligned Movement is constantly growing. Mass antiwar movements are being activated in the capitalist countries themselves, a fact which serves to indicate the deep changes in favor of peace in public opinion.

That is the growing potential of the forces of peace, which opposes the aggressive policy of imperialism, places barriers against the development of its militarist tendencies, and forces it to adapt to the situation, to maneuver, and to make compromises and come to agreements. In his time, V.I. Lenin spoke about the "reasonable capitalists" who condemned the "terrible Bolshevik terrorists" but who soberly evaluated international realities and the possibilities for economic cooperation with Soviet Russia. (Footnote 1) (V.I. Lenin: "Complete Collected Works," Vol 42, p 70) V.I. Lenin noted that alongside the "crudely bourgeois, aggressive bourgeois, and reactionary bourgeois" camp there also exists a "pacifist center of the international bourgeoisie." (Footnote 2) (V.I. Lenin: "Complete Collected Works," Vol 44, p 408)

The tendencies which V.I. Lenin noticed have intensified in our times under the influence of the natural sense of self-preservation arising in that part of the bourgeoisie which has not lost its ability for sober perception of reality. The monopolist bourgeoisie seems to divide into two parties according to its relationship to international policy--the "war party" and the "peace party." It stands to reason that both hold class positions with respect to socialism. But while one conducts a line of confrontation with socialism, the other, taking into account the realities of the nuclear age and the military-strategic parity which has formed, prefers relatively peaceful, mainly political and ideological methods of struggle, and speaks out in favor of peaceful coexistence of states with different social systems. It is no accident that in defining the source of the danger of war, the draft new edition of the CPSU Program accentuates attention on the "policy of the aggressive circles of imperialism": "The monopolies that manufacture arms, the generals, the state bureaucracy, the ideological machine, and militarised science have merged into the military-industrial complex to become the most zealous conduits of and organizers of policies of adventurism and aggression. The sinister alliance of the manufacturers of death and the imperialist state power is a pillar of support of the extreme reaction, a constant and growing source of war danger..."

It stands to reason that the sober-minded part of the bourgeoisie is also moved by class instinct, but is striving to develop a strategy and mechanism for self-preservation of the capitalist system, a development which would correspond to the realities of the nuclear age. After all, the unrestrained escalation of means of destruction bodes no good for capitalism.

D. Eisenhower, who warned of the danger of unlimited swelling of the military-industrial complex, was already approaching an understanding of this. Aiming at adapting capitalism to the new situation, the liberal reformist bourgeoisie is concerned--and not without grounds--that an arms race which is forced ahead and the incessant increases in the military budget which it causes will lead to a sharp reduction in social expenditure and to the dismantling of the mechanism of the "social consensus" policy, this being fraught with new social shocks for capitalism. Such attitudes are particularly strong among sober-minded bourgeois and social-democratic circles in Western Europe. They are beginning to recognize that the arms race is a sort of mine laid under bourgeois and social-democratic reformism. It is for this reason that the leaders of social-democracy are more and more often expressing the fear that an increase in military expenditure will inevitably do great damage to the policy of social reforms which they are

conducting. Many bourgeois ideologists also consider that the arms race is having a destructive effect on the capitalist economy.

However, is the development of capitalism possible without the arms race and the total militarization of the economy? An essentially similar possibility is proven in practice by the experience of such countries as Finland, Austria, and Switzerland. The blind alley into which military conservative policy is leading capitalism, not to mention the threat of a nuclear armageddon, is stimulating ideologists and political figures in the West to conduct a search in this direction. All this taken together also influences the positions of the ruling circles of imperialist states, prompting them to realism. The preconditions are thus being created for constructive dialogue and rational compromises on the problems of war and peace with the continued existence of the capitalist system. The strategy of peace is the order of the day. It arises from the profound need of the contemporary world community of states for an order which eliminates military force from international relations. This order is the peaceful coexistence of states with different social systems. On this path a real possibility is opened up of halting the arms race and moving toward disarmament and the creation of a foundation for peace without weapons.

The establishment of peaceful coexistence is no easy process. And its results depend on the development of the struggle for peace, on the coordination of efforts, and on the scale of the mass antiwar movements which oppose the military-industrial complex of imperialism and its proteges. It is precisely these currents of the contemporary period that encourage hopes of a changeover to a stable and consciously regulated peace and to the creation of an effective mechanism for peacefully resolving international conflicts.

The Antiwar Movement and Communists

A program of guaranteed stable peace within the framework of the peaceful cooperation of the two social systems is a realistic platform for dialogue and cooperation between Communists and the mass antiwar movements on all continents which, as the draft new edition of the CPSU Program notes, "have become lasting and influential factors in social life." Mass, conscious or spontaneous protest against militarism and against the threat of war carried by contemporary capitalism finds expression in these movements. And this protest comes from various strata and classes of capitalist society which differ in their situation, interests, world outlook, and religious faith.

The years go by and the situation and forms of protest change, but the antiwar movement does not die down. It is frequently possible to hear arguments about some "decline," "fatigue," or even "crisis," of the movement which are engendered by internal contradictions. Yes, such judgments may be correct with respect to individual concrete movements. But as a total entity these movements present a picture of unrestrainable growth in which the profound needs of contemporary social development are expressed.

The antiwar movement has now turned into an independent political force. In admitting this, some figures are inclined to perceive the main source of its power and influence as being completely "autonomous" from any political parties, organizations, and states. It is a fact that many such movements arise

spontaneously, from below, as a counterbalance to the militarist tendencies of bourgeois society and to the politicking of bourgeois parties, which frequently conceal a course of whipping up tension and the arms race behind peace-loving phraseology. However, there can be no doubt that these movements would lose all of their influence if they abandoned the field of politics and moved into the sphere of merely individual or group opposition to the danger of war (which is what is being called for by some theoreticians of neoanarchism who are operating in the so-called "alternative" movements). The public's struggle for peace will not be able to achieve weighty results if it is isolated from the main peacemaking force of the contemporary period--real socialism--or from the leading revolutionary force of the contemporary epoch--the international workers class and its political parties and organizations.

The diversity of forms of the antiwar movement is used by some people as an argument to substantiate the slogan of the so-called new internationalism, which for all intents and purposes places in doubt the relevance and significance of the international solidarity of the workers class and its vanguard, the communist parties. It is asserted, for example, that the wide scale and variegated nature of the antiwar movement's composition supposedly requires the "abolition" of the principle of proletarian internationalism, which, it is said, has become too "narrow" for the solution of problems and thus needs to be replaced by a considerably broader general democratic international unity of social forces acting for the preservation of human civilization.

Of course, the contemporary antiwar movement unites people of different political and ideological orientations around the central problems of preserving peace. But this argument in fact works in favor of proletarian internationalism, and not against it.

An intense ideological-political struggle for the program goals, principles, and direction of actions of the antiwar movement is developing within the framework of the frequently contradictory unity and cooperation of peace-loving forces which has formed. After all, the movement's social base is extremely heterogeneous. Among the participants there is a considerable number of people who adhere to conservative views. Others are under the influence and prejudices of anticomunism, which is systematically propagated by the gigantic and many-branched ideological apparatus of the bourgeois state. While sincerely acting for peace, they do not always have a clear idea about the real source of threat of war, and are sometimes even captives of the ideological myths of bourgeois propaganda about the "aggressiveness" of communism. Some theoreticians oppose international cohesion on the platform of the struggle against imperialist reaction with the above-mentioned inflated concept of uniting anti-war forces in the struggle against "both superpowers."

It is obvious that the "new internationalism," which embraces this variegated and internally contradictory sum total of views and positions, is a very shaky foundation for the genuinely international unity of peace-loving forces. Deprived of a core which would express its main line of political orientation, the antiwar movement would soon exhaust itself by internal conflicts, which in the final analysis would lead to its disintegration.

It is all the more important to stress this as both right- and left-wing organizations, the aims of which are far from the real struggle for peace, are attempting to act within the movement. An indication of this is provided by a book which has appeared in West Germany, written by sociologists and political scientists close to the military-industrial complex. Sufficient evidence of the author's political credo is provided by the single proposal that "the Bundeswehr also be regarded as a sort of institution which strengthens peace." (Footnote 3) ("The Peace Controversy," W. Vogt (publisher), Heidelberg 1984, p 320) [title in German] The authors antagonize the antiwar movement against the Soviet Union and the other socialist countries in every way, they hunger to extirpate its antimilitarist content, gamble on the illusions of "Atlanticism," and propagandize a belief in the reliability of the "American shield."

Left-wing organizations of a Trotskyist persuasion also participate in the antiwar movement. Some of them, rejecting the theory of "mutual responsibility," transfer the center of gravity to criticism of socialism and even demand that the socialist system be changed as a precondition for the achievement of lasting peace. "A fundamental change of the entire social system in the East," one such theoretician asserts, "is the most hopeful prospect for the peace policy." (Footnote 4) (MARXISTISCHE BLAETTER, No 4, 1983, p 51)

Such "fighters for peace" in reality rank with imperialist reaction, which is longing for social revenge for the defeats suffered by capitalism, and is ready to push mankind into a thermonuclear abyss to this end. One can imagine how the "new internationalism" would look deprived of its reliance on the solidarity of the leading forces of the epoch! It is precisely the Communists who, relying on scientific theory, concretely reveal the mechanism of the conception and development of militarist tendencies deep within imperialism, and who substantiate the need for broad international cooperation by the forces for peace, despite the differences in their interests, world outlooks, and political positions. The draft new edition of the CPSU Program states that Communists "are clearly aware of the causes of the war threat, expose the true culprits of aggravation of the international tension and the arms race, and seek cooperation with all capable of making a contribution to the drive against war."

The historic Final Act of the CSCE which was signed more than 10 years ago in Helsinki was a genuine charter of a peaceful life on the European Continent. It was precisely on European soil that detente put down its deepest roots. It is understandable that the militant policy of U.S. imperialism is causing particularly serious concern to the European public and is promoting the rise in antiwar activism directed against the United States' attempts to control the destiny of the people on the continent and to whip up military tension here.

An acute ideological-political struggle is going on around all these questions. The positive processes sometimes have an admixture of a fair amount of the Eurocentric approach, which is characterized by the depiction of European pacifism as the "center of the renewal of leftist forces' political thought." This displays a regional limitedness in evaluating the antiwar movement in Western Europe and an attitude of setting this movement in opposition to the international nature of the social battle for peace, in which peoples of other regions, too, and all the basic forms and currents of the world liberation process, are participating.

The road toward European security is different. It is the road of peaceful coexistence and international cooperation which is stated and confirmed in the Helsinki accords. The Communists and other democratic forces of the European countries are acting in favor of it.

The degree of influence of the antiwar movement on the course of world events as well as its effectiveness will depend to a considerable extent on the international activeness of the leading class of the epoch and on its cohesion on the basis of proletarian internationalism, which is based on unity of fundamental class interests, on community of ideology, on a clear, scientifically substantiated program of struggle, and on the traditions of proletarian solidarity.

It is known that many participants in the antiwar movement adhere to non-Marxist and even anti-Marxist views, that is, they see the world in a different way from Marxists: they have other ideas about social development, but they sincerely and actively act for peace. In this sense they are moving in the same direction as the Marxists and the parties of the workers class. The Communists' line is a line of creating a broad and flexible system of alliances, agreements, joint actions, and constructive dialogue, while respecting the independence and distinctive nature of the most diverse antiwar currents. And of course, Communists see their primary task as being to draw broad strata of the workers class into the antiwar movement and to reveal this movement's organic connection with the interests of the proletariat and with its struggle for short- and long-term goals.

The Strategy of Peace and Goals of Class Struggle

The draft new edition of the CPSU Program stresses that: "The strength of revolutionary parties lies in that they are firmly upholding the rights and vital aspirations of the work people, point the way for leading society out of crisis situations, formulate a real alternative to the exploiter system, and give socially optimistic answers to the basic questions of our time."

The struggle for peace is indisputably not in itself leading to the fundamental transformation of the capitalist system and is not pursuing such goals. "We have enough time to ascertain whose ideology, whose views and laws are more moral, and whose economy is more rational," M.S. Gorbachev said in his speech on French television. "History will have enough time for a peaceful competition of ways of life to ensure for people an opportunity to make a voluntary choice, on their own, to determine what social system is more to their liking."

The strategy of peace is aimed at establishing an international order in which not military force but good-neighboringness and cooperation would prevail. Peaceful coexistence corresponds not to the interests of some single group of countries embodying a certain social system but to the interests of all countries and all peoples. The lessons of the seventies attest to the fact that detente is far from a "one-way street" which favors socialism alone and drives capitalism "into a corner." The successes of the struggle for peace still far from solve the problem of "who beats whom" [kto kogo] in the international arena. But they create real chances for a relaxation of tension and for movement toward a stable peace in conditions of the peaceful coexistence of states with different social systems.

It stands to reason that the struggle for peace is not occurring in a vacuum but in the stress field of the basic conflict of the contemporary epoch. It is connected with the general direction of historical development. As a continuation of domestic policy, the foreign policy of any state reflects the social-class nature of one or another society.

The practice of international life clearly reveals the class meaning and the class goals of the aggressive policy being conducted by imperialist reaction. The course of imperialist reaction aimed at whipping up the arms race and preparing for "star wars," not to mention the idea of a "crusade" against socialism also has a class background. What is involved is, first of all, achieving military superiority over socialism, and second, forcing the socialist states to incur ruinous expenditure, diverting their resources from the solution of pressing tasks of socioeconomic development, and thus restraining the progress of socialism.

Of course, for the working class the struggle for peace is also organically connected with its class goals and interests: what is involved is not only the preservation of the fundamental preconditions for progress, but also the promotion of its accelerated development, which is unthinkable without a struggle against all or any manifestations and results of the aggressive nature of imperialism. In practice this means a resolute rebuff to attempts to export counterrevolution and to any encroachments on the inalienable right of every people to independently choose the path of its development.

It stands to reason that no peace by itself removes the contradictions between opposing social systems, eliminates social-class contradictions in capitalist countries, or abolishes neocolonial forms of liberated state's dependence on former parent states.

Nevertheless, in a situation of peace, socialism acquires the broadest possibilities for positively influencing the course of historical development. There is a well-known idea of V.I. Lenin according to which socialism will exert its main influence on world development by its economic policy. The draft new edition of the CPSU program notes that: "Socialism is proving its superiority not by force of arms but by force of example in every area of social life, by the dynamic development of the economy, science and culture, and by the extension of socialist democracy." The international effect and significance of the construction of socialist society increase many times over in conditions of lasting peace.

In exactly the same way, no peace automatically leads to the liberation of oppressed peoples from the fetters of neocolonial dependence. However, the state of the world objectively furthers the solution of this revolutionary task, too. As (A. Genardo) a worker of the Gramsci fund justly notes, it is quite possible to "imagine a scenario in which the relations between peoples will lack the danger of war and fear of armed conflict. Of course, in this case, too rich, well-fed, educated peoples and poor, illiterate, hungry peoples will exist. But such a state of international relations will, to an exceptional extent, intensify the gravitation toward liberation and improvement of the way of life. Peace destabilizes relations of dependence to a much greater extent than war does.

Peace will give dependent peoples confidence and will intensify international solidarity with them." (Footnote 5) (RINASCITA, No 1, 1984, p 24) finally, the basic lines of connection between the struggle for peace and the struggle of the workers class for its class goals and its immediate economic, social, and political demands can be fairly clearly traced.

The nuclear arms race unleashed by the aggressive forces of imperialism is an excessive burden on the shoulders of working people of the capitalist countries. It leads to a rise in unemployment and inflation, worsens the conditions of life, and increases the offensive of monopolist capital on the democratic rights and freedoms won by the workers class. For this reason, by pursuing the objective of stopping material preparations for war and of halting the arms race, the struggle for peace is objectively directed against the redistribution of national income in favor of the military-industrial complex and against one-sided, deformed development of national economies.

Concrete analysis of the situation in each country cannot but reveal the grave social consequences of the arms race for different strata of the workers class and all working people. The longer it continues, the more the insatiable Moloch of the arms race will devour the fruits of human work and thought, thus increasingly hindering the satisfaction of the vitally important needs of the workers class and other strata of the population.

The present stage of world development sets Communists the task of concretely developing a theoretical concept which reveals the connection between the struggle for a stable and consciously regulated peace in conditions of peaceful coexistence and the struggle of the workers class and its allies for their short-term, intermediate, and final goals.

A most profound shift is occurring in social development and social awareness. The responsibility of the leading class of the epoch and its revolutionary vanguard--the communist and workers parties--for the fate of all mankind is now especially great. That is how the question is posed by life itself, by the acute nature of the global problems of the contemporary period, and by the need to avert the threat of thermonuclear catastrophe.

The world historical mission of the workers class is the liberation of society from exploitation and oppression. A new dimension has now appeared in its content. An exceptionally important task of the international workers class is that of uniting mankind in the name of preserving peace and preventing thermonuclear war which threatens the very existence of civilization. This class coordinates its activity in uniting peace-loving forces with a practical search for ways of establishing the most perfect forms of social relations which correspond to the socialist ideals substantiated by Marxist-Leninist science.

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CSO: 1816/05

NEW GORBACHEV ARMS PROPOSALS, GENEVA SUMMIT VIEWED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNNYE OTNOSHENIYA in Russian No 1 January 1986 (signed to press 13 Dec 85) pp 13-23

[Article by O. Bykov: "Real Opportunity for Curbing the Arms Race"]

[Text] The international development in our period is passing through a difficult stage that is fraught with danger unequalled by any in past history. In a situation of tension and confrontation, the continuation of the accumulation of already colossal stockpiles of weapons of monstrous destructive power threatens a catastrophe of truly global dimensions. Mankind faces the choice: Either survival under the conditions of stable peace and general security, or destruction in the flames of a nuclear war.

A sharp turn from hostile confrontation to constructive cooperation is vitally needed. The interests of the preservation of world civilization and of life itself on our planet demand the adoption of effective measures to eliminate the threat that is hanging over the world, to radically reduce weapons, and to advance toward real disarmament.

"There are no weapons," the draft new edition of the CPSU Program points out, "that the Soviet Union would not be prepared to limit or ban on a reciprocal basis and with the application of effective verification."

The meeting of M.S. Gorbachev, general secretary of the CPSU Central Committee, with U.S. President R. Reagan in Geneva from 19 to 21 November 1985 represented an important step on the road toward solving the problem of averting a nuclear catastrophe. The joint statement of the leaders of both powers that a nuclear war must never be unleashed and that there can be no victor in such a war represents a most important result of the meeting. The recognition by both sides of the importance on preventing any war--nuclear or conventional--between the USSR and the United States and their mutual pledge not to strive for achieving military superiority are also of principled importance.

Solutions for a number of concrete questions on which the stopping of the arms race depends could not be found at the meeting. Major differences on principle problems continue to exist between the Soviet Union and the United States. However, the results of the talks at the highest level in Geneva provide the basis for the transition from dangerous confrontation to normalization in Soviet-U.S. relations and to improvement of the international situation as a

whole. The foundation has been laid for a dialogue aimed at eliminating the threat of nuclear war and for ensuring reliable international security as a whole. Further prospects have opened up for searching for mutually acceptable solutions concerning the deep reduction in nuclear arsenals and simultaneous prohibition of siting nuclear means in outer space. For the first time in this decade a real opportunity has opened up for a practical start in curbing the arms race.

I

The special topicality of the problem of limitation and reduction of arms is obvious. Such large quantities of lethal weapons have already been accumulated in the world, that any further competition in increasing the military potential has become not only irrational and onerous but also increasingly dangerous both for the sides participating in it and for all mankind. Under the conditions of the existing military-strategic equilibrium, it is impossible to achieve decisive unilateral superiority and the attempts to achieve this goal can only whip up the arms race. In the final analysis, the equilibrium would be established at a higher level with greater expenditures but with lesser stability and security for both sides. Even if the arms race could develop "evenly" by maintaining parity, it would nevertheless continue along an ascending line and the result would inevitably be greater and not lesser mutual vulnerability and danger of nuclear catastrophe.

In real life it is difficult to ensure mutual equilibrium between the opposing forces when the development of military technology advances at an accelerating rate and on an expanding scale, when new systems and types of weapons are being developed, and when the arms race is not only spiralling further on earth but also threatens to spread to outer space. The siting of weapons in outer space would cause the gravest damage to strategic stability which represents the basis for the preservation of peace in the nuclear age. Military rivalry would assume qualitatively new dimensions and the probability of any conflict would increase manyfold, a conflict of unforeseeable consequences.

To break the dangerous trend that has developed, it is necessary to stop, to look back, to think again, and to lead matters toward strengthening the achieved equilibrium, strengthening this equilibrium not at the present high level and even less at any higher levels at that. In the existing situation the objective requirements of mutual security and strategic sufficiency determine the necessity of a substantial reduction of nuclear weapons while at the same time, not permitting the creation [sozdaniye] of space-based strike means. Under the conditions of stable parity, a considerably lower level of strategic balance than what now exists would not only be sufficient for maintaining equilibrium but would ensure a much higher degree of security for both sides.

Curtailing military rivalry is the imperative of the time. And it is necessary to act without delay. It is already difficult today to bring the contemporary weapons under control and tomorrow it will be even more difficult. The process of increasing military potentials threatens to emasculate the process of negotiations.

Being profoundly conscious of the responsibility for the fate of the world, the Soviet leadership has put the task of curbing the arms race at among the highest priorities of its foreign policy. The April (1985) CPSU Central Committee Plenum called for all possible actions to restrain the forces of militarism and aggression and to find ways of reducing international tension, of nuclear disarmament, of overcoming military confrontation and developing normal and correct relations between states, and of expanding and deepening mutually advantageous economic relations.

The Soviet Union has activated its interaction with other states in the interest of achieving these vitally important goals. It has developed and continues to develop its entire international activity on the basis of understanding the obvious reality of our time, the reality that dictates the necessity of joint efforts of all countries, small and large.

The significant deepening of political and economic ties among the Warsaw Pact and CEMA member-states has represented an important contribution to the consolidation of general peace. The meetings of leaders of the fraternal countries in Moscow, Warsaw, Sofia, and Prague during 1985 have further advanced the cohesion of the socialist community. The relations between the socialist countries on the whole have continued to develop and grow stronger.

The Soviet Union has deepened its cooperation with the states that have liberated themselves from colonial oppression and, first and foremost, with members of the Nonaligned Movement. Significant steps have been made to develop relations with many of these countries in the interests of strengthening peace, halting the arms race, and defending the freedom and independence of peoples.

The USSR has made considerable efforts to improve its relations with the capitalist states on a multi-level basis. The Soviet-French meeting in Paris in October 1985 was especially important. It gave a fresh impetus to the further development of cooperation between the two states in the cause of strengthening European and international security. Steps have been taken in the same direction to expand the ties with other Western European countries and with the states of the entire capitalist world. At the same time, the relations between the USSR and the United States, the two powers that possess the greatest military, economic, and scientific-technological potential and have great international political influence, are obviously of exceptional importance in the nuclear age. It is precisely these two powers that are primarily responsible for the preservation of general peace. The political and psychological climate in the entire world, the level and intensity of military confrontation, and the process of limitation and reduction of arms depend in many respects on the state of Soviet-U.S. relations.

Proceeding from a sober assessment of this reality of the contemporary world, the CPSU and the Soviet State have unflinchingly followed their principled policy aimed at improving relations with the United States, at jointly searching for solutions for the problems of bilateral and international security, and at restraining the arms race.

However, enormous difficulties had to be overcome on the road to this goal. Especially at the beginning of the eighties the Soviet Union confronted not only

a negative but also an openly hostile position of the U.S. Administration. The course of confrontation, the stake on achieving military superiority which was reinforced by a massive "counterarmament" ["sverkhvooruzheniye"] and, later, by preparations for "star wars," the blocking of the process of negotiations on the limitation of arms, the destruction of the positive that had been achieved with joint efforts during the years of detente, and, finally, the inflaming of "psychological war," and the undermining of mutual trust--this is what the United States' leading circles opposed to the Soviet call to open a serious and honest dialogue, the need for which is dictated by the special responsibility of both powers for the nature and the course of international development.

The Soviet Union has not deviated from its projected path and has resolutely acted to prevent confrontation from becoming the dominant trend in international life. Its invariable position in favor of normalization of Soviet-U.S. relations has not been based only on an understanding of the profound community of interests in averting mutual destruction in a nuclear war, but also on comprehensively analyzing the interaction of international and internal factors that influence the practical implementation of the United States' policy of "force." This analysis has shown that this imperial policy cannot conform to the realities of our period and that it would inevitably come up against increasing obstacles in the United States itself, obstacles both on the part of its allies and, of course, on the part of many states of the world and powerful political and social forces.

At the same time, drawing the proper conclusions from a scientific interpretation of the laws of contemporary world development, the Soviet leadership has by no means adopted a position of passively waiting for the moment when the U.S. Administration would begin to seriously reexamine its unrealistic goals in the face of existing difficulties. Firmly rebuffing Washington's policy aimed at breaking up the military-strategic equilibrium, the Soviet Union has at the same time consistently and persistently continued to take bold large-scale initiatives, demonstrating responsibility and a constructive approach toward the central issues of ensuring international security and curbing the arms race.

The Warsaw Pact member-states have again resolutely acted to eliminate the threat of nuclear war and to ensure a turn for the better in European and world affairs. Confirming that the socialist states do not strive for military superiority but that, at the same time, they would not allow any military superiority over themselves, their highest leaders have set forth a complex of constructive proposals to improve the alarming situation that has developed. The actions of the USSR and its allies have won the support of the world public and have been highly appraised by the governments of many countries.

When the first signs began to appear in Washington indicating a desire to improve the atmosphere in Soviet-U.S. relations and to "soften" to some extent the United States' international behavior, the road to the summit meeting was open. Adopting the decision to hold such a meeting in Geneva, the Soviet leadership proceeded from the fact that the central place at the meeting should be accorded to the issues that represent the core of Soviet-American relations and determine the entire world situation, that is, the problems of strengthening of security and reduction of arms. The views of the USSR's allies and friends and the positions of the governments and public circles of many countries that

had placed great hopes on the summit meeting were taken into consideration in this connection.

The Soviet Union did everything in its power to create the most favorable conditions for productive negotiations at the highest level. As early as at the remote approaches to the Geneva meeting it took concrete steps: It unilaterally stopped all nuclear explosions and expressed its readiness to immediately resume the negotiations on completely halting nuclear tests; it confirmed its unilateral moratorium on the tests of antisatellite weapons; and it proposed to develop the broadest international cooperation in the peaceful conquest of outer space under the conditions of its nonmilitarization.

As is known, in January 1985 the USSR minister of foreign affairs and the U.S. secretary of state agreed that the Soviet-U.S. talks should deal with the entire complex of space-based and nuclear weapons and aim at preventing an arms race in outer space and at halting it on earth. To develop the achieved accords, the Soviet side put forward a whole series of new constructive proposals on the eve of the meeting. These bold and far-reaching initiatives, worked out in strict conformity with the principle of parity and equal security, were designed to open up the scope for productive negotiations on nuclear and space-based weapons.

First, the Soviet Union addressed itself to the U.S. Administration with the proposal to reach an agreement on completely banning space-based strike weapons for both sides and to really radically reduce by half the nuclear weapons that are capable of reaching each other's territory. The overall numbers of carriers of nuclear weapons capable of reaching each other's territory would be 1,250 for the USSR and 1,680 for the United States, that is, there would be a certain preponderance to the advantage of the latter. The Soviet Union demonstrated its readiness to agree to this, taking into account the fact that, as a result of the 50-percent reduction of carriers, the sides would have an equal number of nuclear warheads, that is, 6,000 units each. The preservation of the approximate strategic equilibrium, but an equilibrium at a radically lower level, would thereby be ensured.

This is an honest and fair approach. It equally affects the strategic forces of both sides according to a single criterion that determines the nuclear means subject to reduction and, precisely, the sides' capabilities to strike at the targets in each other's territory, regardless of the means by which or the location from which such strikes can be carried out, that is, either by means of missiles or aircraft and either from their own territories or from the territories of their allies. The Soviet proposal takes account of differences in the composition of the opposing strategic forces and does not seek any radical restructuring of these forces. The sides can determine for themselves which of the components of their armaments they will reduce and what the volume of their reduction will be within the agreed framework. At the time, those components of the strategic "triads" of each of the sides which represent their main strike forces must be subject to substantial reductions. These forces are the Soviet Union's intercontinental ballistic missiles (ICBM) and the United States' submarine-launched ballistic missiles (SLBM). And this is fair because the strike capabilities of land- and sea-based strategic offensive means are similar. The reduction of these means must be carried out in a complex way to

ensure that none of the sides could gain any advantage as a result of reductions. Following the reductions, it is proposed to install not more than 60 percent of the overall number of warheads on each of the components of both "triads," that is, either the Soviet ICBM's or the American SLBM's.

In proposing to reduce the nuclear weapons of both sides by half, the Soviet Union declares that it is ready to go even further on the road of nuclear development, that is, up to and including a complete liquidation of all mass destruction weapons, naturally, under the condition that other nuclear states, too, will join this process at appropriate stages.

Second, the USSR proposed to reduce the medium-range nuclear weapons in Europe. To facilitate an accord in this connection, it expressed its readiness to consent to the conclusion of a preliminary agreement, separately from and without directly linking it with the problem of space-based and strategic weapons. Regarding the nuclear potentials of France and Britain, the Soviet Union, considering their place in the overall balance of forces, proposed to open a direct dialogue with these countries, taking into consideration their security interests.

Third, the USSR proclaimed a moratorium on the siting of its own medium-range missiles in the European zone and announced that the number of SS-20 missiles which it now has on combat-ready duty is 243 units, that is, it is at the level of June 1985 when the additional deployment of Soviet missiles began in response to the installation of American Pershing-2 and cruise missiles in Western Europe. Thus, the SS-20 additionally deployed in this connection have been removed from combat-ready duty and the fixed installations for their siting have been dismantled.

The Soviet Union invariably acts in favor of completely ridding Europe of medium-range and tactical nuclear weapons. But so long as the United States and its NATO partners do not consent to this, it is proposed to start with a substantial lowering of nuclear confrontation in that region and to subsequently advance to further reductions.

The Soviet initiative aimed at curtailing the arms race has not been left unanswered by the American side which in itself is something positive. However, the basic substance of American counterproposals differs little from what has continued to create obstacles on the road to working out mutually acceptable solutions over a number of years. It is a matter of the same biased, one-sided, unfair, and therefore, unrealistic approach. It is a matter of the same unrealizable desire to use the negotiations to gain advantage for oneself at the expense of the interests of the other side. Hence, the unacceptable starting positions that deliberately ignore the differences in the structure of the opposing forces and which are aimed at substantially reducing the main component of the Soviet strategic power (ICBM) while reducing to a lesser extent the main strike means of the American "triad" (SLBM and heavy bombers, including those carrying cruise missiles).

However, the U.S. Administration's refusal to reach an accord on banning the space-based strike weapons and its "obsession" with the "star wars" plans represent the main barrier on the way to mutually acceptable solutions.

II

Stubbornly insisting on the implementation of the "Strategic Defense Initiative," its inspirers, authors, and promoters try to prove that the strategic stability could be strengthened in this way, and that, in the final analysis, it would even be possible to be rid of nuclear weapons altogether. A "concept of transition" from offensive nuclear weapons--through their combination with non-nuclear space-based "defensive" weapons--to the "reduction and liquidation of nuclear weapons" has been worked out. The period allotted for this "transition" which would last a few decades has been also predicted. It is further proposed in the future to "share" the space-based means with the Soviet Union and to "open to each other" the doors of the laboratories engaged in the development [razrabitka] of these means.

This is a strange logic! It turns out that for the purpose of nuclear disarmament it is necessary to plunge the world into an arms race the scale and intensity of which it is hard to imagine. It would not simply be a matter of adding space-based weapons to nuclear weapons, which in itself would significantly increase the dimensions of military preparations. The introduction of the new space-based weapons into the strategic balance would bring the greatest acceleration to the interconnected offensive and defensive arms race. The process of gigantic accumulation of weapons would continue over dozens of years, involving a colossal expenditure of material and other resources. Under this scenario it is inconceivable to seriously consider any kind of reduction and, even less, about the elimination of nuclear weapons. This is not a scenario of halting the arms race but a scenario of endless prolongation and of heating up of this race.

It is perfectly understandable that a sharp increase of the already enormous stockpiles of weapons would have a most pernicious effect on the strategic stability and, consequently, on mutual security on the sides and the world situation as a whole. However, this is not all. It is not only in their quantitative parameters that the actual dimensions of damage to strategic stability would have to be appraised. The very dynamics of the arms race and its qualitative characteristics would sharply change. What would take place would certainly not be a balanced and synchronized quantitative increase on both sides but a noticeable intensification of the tendency to overtake on the part of the American side that would be engaged in an accelerated creation [sozdaniye] and deployment [razvertyvaniye] of nuclear and space-based weapons in order to disrupt the existing military-strategic equilibrium to its own advantage. This precisely represents the main threat to the stability of the existing situation.

Widely advertised as "defensive," the concept of creating [sozdaniye] the space-based strike means cannot be considered separately from all other military preparations of the United States which, in the final analysis, are aimed at achieving the capability to inflict the first disarming strike. The "Strategic Defense Initiative" has been integrated into the all-embracing complex of large-scale programs of increasing American military power. The plans for the creation [sozdaniye] of an "antimissile defense" by no means replaces but only supplements and intensifies the planned "strategic program" of the U.S.

Administration which is being implemented. Under this program five new types of strategic carriers--two types of ICBM, and one type of SLBM, and two types of strategic bombers--are being created and, at the same time, long-range cruise missiles for various modes of basing and other systems of nuclear weapons are being deployed.

The development [razrabotka] and deployment [razvertyvaniye] of antimissile defense means with space-based elements are designed to provide under the cover of this defense the possibility of attacking the Soviet Union with impunity by employing the entire range of offensive nuclear weapons. And the space-based means themselves are also weapons, and a qualitatively new type of weapon at that, which are not only capable of hitting missiles at various points of their flight trajectories but also targets on earth.

The undermining of strategic stability in the event of the realization of the "star wars" plans would be further deepened by the fact that those circles would strengthen their position in the American military-political leadership which entertain the illusions that the first strike can allegedly be made under cover of the space "shield" and that the opposing side can be either completely deprived of possibilities for a retaliatory strike, or the strike can be substantially weakened. Calculations of this kind are as hopeless as they are dangerous. Of course, even in the face of the most perfidious American scenarios of unleashing a nuclear conflict, the Soviet side possesses the necessary means and methods that can guarantee crushing retribution which no potential aggressor can escape. This is the decisive means for neutralizing the adventurist plans for achieving "victory" in a nuclear war. But the fact that under these circumstances the element of "mutual deterrence" would inevitably be intensified in the sphere of strategic planning would represent yet another serious factor in weakening the stability of the existing equilibrium and further charging the explosive tension.

But this is not all. What kind of strengthening of strategic stability could be imagined at all if the spreading of the arms race to outer space were allowed? The present nuclear confrontation is already extraordinarily dangerous because of the high degree of its programming for the event of outbreak of a critical situation. And if space-based weapons are not prohibited an even more dangerous situation will be created. The combination of nuclear offensive and anti-missile means would further reduce the time--already counted in minutes now--for decisions on which the very existence of mankind will depend. These decisions, irreversible in their catastrophic consequences, would be made by electronic machines, that is, essentially without the participation of the human mind and political will, and without taking account of any moral and ethical criteria. And in this connection it might not even be any real or imagined intentions of the other side but an error, a miscalculation, or some technical faults of the highly complicated computer systems which would provide the first impulse for the fatal development of events.

A new wave of the arms race--this time, of the nuclear-space race--threatens to roll over mankind. And the growing threat of a general catastrophe which this wave carries with it cannot be warded off by any other means than a total mutual prohibition of space-based strike means. If the nuclear and space-based weapons are joined together into a single super-system enveloping our planet from all

sides, assurances of anyone's peace-loving intentions, promises to share technological achievements in the sphere of antimissile means, or proposals to open up laboratories to observe their development [razrabotka] could hardly be of any help.

The U.S. Administration's preparations for the creation [sozdaniye] of space-based strike weapons run counter to the strategic, political, and other realities of our period. It seems as if an approximate parity of military forces did not exist. As if it would be possible, under the conditions of comparable potentials and resources of both sides, to count on gaining the upper hand in the nuclear-space rivalry! As if the United States had all possibilities at its disposal and the USSR were not in a position to create [sozdavat] an adequate counterweight!

But this is not the reality. At the meeting in Geneva, M.S. Gorbachev put the following direct question to President Ronald Reagan: "Does the American leadership really seriously think that, under conditions of the creation [sozdaniye] of American space-based weapons, we will continue to reduce our own strategic potential and with our own hands help the United States to weaken it? This should not be counted upon. Precisely the opposite will happen: To restore the equilibrium the Soviet Union will be forced to increase the effectiveness, accuracy, and power of its weapons in order to neutralize--should it become necessary--the electronic space-based 'star wars' machine created [sozdavat] by the Americans."

The Soviet side has declared in all responsibility that the United States can have no ground for hoping to achieve a monopoly in outer space and pass the USSR in the arms race unleashed there. As has happened more than once in the past, the Soviet Union will find the proper answer to this challenge, too, and the answer will be effective, sufficiently quick, and less costly. The American side must weigh all this in the most responsible way and then draw the conclusions that will correspond to the interests of the security of both powers and the security of all mankind.

As far as the Soviet Union is concerned, its choice is firm and immutable, and that is not to allow an arms race in outer space. If this key question is positively solved, the high road to achieving the broadest accords in the sphere of reduction of nuclear weapons will be open.

III

The Geneva summit meeting has convincingly confirmed the acute necessity and topicality of the recent initiatives and actions undertaken by the CPSU and the Soviet State for the purpose of solving the central question of preservation and consolidation of peace, the question of averting the threat of war, improving the international situation, and curbing the arms race. The meeting has once again demonstrated that the determining sphere in Soviet-U.S. relations is the sphere of security at the core of which are the problem of banning the space-based strike means and the problem of reducing nuclear weapons in their organic linkage.

In realistically assessing the results of the Geneva meeting, it has to be noted that it did not succeed in solving these problems. The unwillingness of the United States' leadership to renounce the "star wars" program made it impossible to work out concrete accords on nuclear and space-based weapons. Following the meeting, the quantity of accumulated weapons has not been reduced and the arms race has continued. But at the same time the general positive significance of the meeting should not be underestimated. The meeting was a major political event in the international arena and has had a favorable effect on the political and psychological climate in the world. Without the direct contact established between the USSR and U.S. leaders in Geneva and without the achieved accords in principle it would be impossible to overcome the deadlock and begin a serious joint search for a way out of the impasse in which the disarmament problem had found itself as a result of the far-advanced confrontation and the unrestrained arms race.

The negotiations at the highest level were necessary and useful for a clear comparison of the positions of the two sides and for restoring trust between them. What was most definitely revealed was the urgent need for new approaches, for a fresh view of realities of the contemporary world, and for a sharp turn for the better in Soviet-U.S. relations, something that depends in many respects on the political will of the leaderships of both states. The Soviet side emphasized that the USSR respects the American people, has no hatred toward the United States, and does not build its policy on any aspirations to infringe upon its national interests. Moreover, the Soviet Union does not wish to change the strategic balance to its advantage because such a situation would intensify the suspicions on the part of the other side, whip up the arms race, and undermine the foundations of mutual and international security.

The USSR's constructive and consistent line decisively contributed to the positive development of the Geneva dialogue. At the same time, certain elements of realism manifested themselves in the position of the American side at the meeting, something which led to agreements on a number of questions. The general understanding, jointly asserted at the highest level, that nuclear war must never be unleashed, that there can be no victor in such a war, and that the USSR and the United States pledge to build their relations precisely on the basis of this incontrovertible truth and will not strive for military superiority, is undoubtedly of very essential importance in this sphere.

The imperatives of the nuclear age dictate: It is necessary to become accustomed to strategic parity as the natural condition that provides the greatest security. There is no other reasonable way except the joint determination of such a level of nuclear weapons which would be sufficient both from the viewpoint of national security of each of the sides and, simultaneously, also from the viewpoint of their mutual security. And the level of this sufficiency, it was revealed during the Geneva negotiations, is much lower than the level now held by the USSR and the United States. It follows from this that deep cuts in the existing nuclear arsenals on a reciprocal basis are realistically possible. Such a reduction will not weaken but, on the contrary, noticeably strengthen the security of the Soviet Union and the United States and will make the entire strategic situation in the world more stable.

As a result of their examination of the state of affairs at the Geneva negotiations on nuclear and space-based weapons, the general secretary of the CPSU Central Committee and the U.S. President agreed that the work at these negotiations would be speeded up with a view to accomplishing the tasks set forth in the joint Soviet-U.S. statement of 8 January 1985, that is, namely, the tasks of preventing the arms race in outer space and halting it on earth, of limiting and reducing nuclear weapons, and of strengthening the strategic stability. Taking into account the proposals that had already been introduced during the negotiations, they declared themselves in favor of achieving progress as quickly as possible particularly in the spheres where there are meeting points, including the appropriate implementation of the principle of a 50-percent reduction of both sides' nuclear weapons and the idea of a preliminary agreement on medium-range missiles in Europe. Effective measures of verification [kontrol] of the fulfillment of assumed obligations will be coordinated in connection with the drafting of accords.

The foundation has been laid for the process leading to a curtailment of the arms race. Now joint efforts are needed to advance this process along the path of working out concrete mutually acceptable solutions. Possibilities for that exist. The Soviet and American proposals on the reduction of nuclear weapons still differ in many respects. However, if we proceed from mutual interests in achieving accord, the differences can be completely overcome through a mutual search for compromises. It is also possible to reach accord on reliably verifying the process of real arms reduction.

However, to solve the aforementioned problems the door through which weapons could penetrate into outer space must be tightly shut. No fundamental reduction of nuclear weapons is possible without this. The U.S. side's stubborn striving to create [sozdat] and deploy [razvernut] space-based weapons can only lead to a situation where the efforts to halt the arms race will be blocked, and it goes without saying that such a situation would be profoundly disappointing for the peoples of the entire world, including the American people.

The Soviet leadership is convinced that a real chance exists for sharply reducing the threat of nuclear war and for beginning to reduce the arsenals of means of mass destruction, and it would be unforgivable to miss this chance. Therefore, it hopes that what was said in Geneva concerning the "Strategic Defense Initiative" is not the United States' last word.

Reporting on the results of the Soviet-U.S. meeting at the highest level in Geneva at the session of the USSR Supreme Soviet on 27 November 1985, M.S. Gorbachev stated: "President Reagan and I made an arrangement to instruct our delegations at the Geneva negotiations on nuclear and space-based weapons to speed up the negotiations and to conduct them on the basis of the January accord between the two countries. Thus, it has been confirmed by both sides at the highest level: An arms race in outer space must be prevented by tackling this question in conjunction with the reduction of nuclear weapons. This is precisely what the Soviet Union will be striving for. This is precisely what we are urging the United States to emulate. By fulfilling in practice the commitments we have jointly undertaken, we will justify the hopes of the peoples of the entire world."

To help achieve future accords, the Soviet Union considers it necessary for both sides, first and foremost, to refrain from any acts that would undermine what has been achieved in Geneva, and from actions that would block the negotiations and erode the restrictions on the arms race which are now in effect. The agreements now in effect in the sphere of arms limitation must be strictly and conscientiously observed. This applies, first and foremost, to the ABM Treaty of unlimited duration which represents the basis of the strategic stability and of the entire process of limitation and reduction of nuclear weapons. The further mutual observance by the sides of the appropriate provisions of the SALT-II Treaty also represents important support for this process.

The question of halting nuclear tests is also acutely relevant. As long as this problem is not solved, the development of new nuclear weapons systems and the perfecting of the existing ones will continue. In proclaiming a moratorium on all types of nuclear tests, the Soviet Union expressed its readiness to prolong it if the United States reciprocated. A joint moratorium would have a favorable effect on the strategic situation and would strengthen mutual trust. The USSR is also ready to immediately start negotiations on the conclusion of an international treaty on complete and general prohibition of nuclear tests.

Although the question of halting these tests was placed before the U.S. President in Geneva, no answer to the question followed. Refusing to consider this problem, the United States has advanced no serious arguments to substantiate its position in this respect. And there can be no such arguments. At times the United States tries to present the question of verification as the stumbling block in this connection. However, the possibility for carrying out reliable verification with national means has been demonstrated more than once. If, however, international control is necessary, the Soviet Union is willing to consider this possibility, too, bearing in mind, in particular, the considerations expressed in their joint appeal by the six states that proposed to set up in their territories special stations to observe the fulfillment of the accord on halting nuclear tests.

At the Geneva meeting the USSR and the United States confirmed their obligation to help improve in every way possible the effectiveness of the system of nonproliferation of nuclear weapons and they came to an agreement on joint practical steps in this area, including the continuation of regular Soviet-U.S. consultation. This is of considerable importance for maintaining stability in the world and diminishing the probability of a nuclear conflict.

The leaders of the two states declared themselves in favor of general and complete prohibition and destruction of chemical weapons. They made arrangements to activate the efforts to conclude an effective international convention on this problem, a convention that would be amenable to control, and they agreed to open discussions on the question of preventing a proliferation of chemical weapons.

The sides stressed the importance they attach to the Vienna negotiations on the mutual reduction of armed forces and arms in central Europe and they expressed their readiness to lead matters toward achieving positive results at these negotiations.

The great importance of the Stockholm Conference on Confidence-Building Measures and Security and Disarmament in Europe was also noted. The sides stated their intention to contribute to its early successful conclusion together with other participant states of the conference. They confirmed the need for the adoption of a document that would incorporate both the mutually acceptable measures on confidence building measures and security and a concrete definition of the principle of nonuse of force, making this principle more effective.

The accord achieved in Geneva to study at the level of experts the question about centers for reducing the threat of nuclear war, taking into account the development of the negotiations on nuclear and space-based weapons, will also help strengthen mutual trust.

On the whole, the Geneva meeting at the highest level has provided a powerful positive impulse to a serious dialogue that opens up the prospects for the adoption of effective measures on the limitation and reduction of arms. What is needed are further unremitting reciprocal efforts and the implementation of the agreed principles in contacts between the USSR and the United States, including new summit meetings, is expected to be helpful in this respect.

The Soviet Union intends to strive for concrete agreements with all resoluteness and in the spirit of honest cooperation with the United States. If the United States adopts the same approach, the important and necessary work accomplished in Geneva will yield more tangible and longer-term results.

The CPSU and the Soviet State firmly and purposefully follow the Leninist course in the conduct of its peace-loving policy at the core of which is the struggle to release mankind from the threat of annihilation and from the burden of armaments. This policy is wholeheartedly supported by all Soviet people, now advancing toward an historical event in the country's life, the 27th CPSU Congress. They are filled with determination to conquer with their intensive work new frontiers in communist construction, in strengthening the fatherland's economic and defense might, and in the social and spiritual development of the society. This is the reliable basis of the soviet foreign policy that combines in itself counteractions against the forces of militarism with a constructive devotion to peace.

In implementing its consistent policy of peace and disarmament, the USSR closely cooperates with its Warsaw Pact allies, with all countries of the socialist community. This policy enjoys the support of the broadest public circles and of other peace-loving countries, the understanding on the part of many governments and responsible statesmen and political figures, and the approval of millions of people.

The Geneva meeting has engendered great hopes. The ice that had frozen the relations between the two powers for such a long time has been broken. A difficult but reliable road toward the adoption of solutions for which all peoples are waiting has been opened. The favorable opportunities must not be missed. The conscience and reason of mankind demand a continued advance to peace, a peace without lethal weapons and without the threat of annihilation.

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CSO: 1816/05

THIRD WORLD NON-MARXIST SOCIAL THEORIES DESCRIBED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNNYYE OTNOSHENIYA in Russian No 1, Jan 85
(signed to press 13 Dec 85) pp 63-75

[Article by I. Aleshina: "Social Thought of the Developing Countries--Problem of the Struggle for Independence"]

[Text] A most important distinctive characteristic of society in the developing countries--dependency--has from the start of the 1950's right up to the present been a subject of close attention in the emergent states. The endeavor to comprehend the phenomenon and reveal the secret of its connection with backwardness summoned into being a whole spectrum of highly heterogeneous concepts, which rapidly gained popularity and were reflected in the subsequent development of all directions of social thought. Three decades later they have become an essential element and, in some cases, the normative-procedural core of the analysis of the problems connected with the development of this part of the world.

There is continuing debate among theorists of social thought of the developing countries as to what the nucleus of these concepts is. Latin American scholars consider such the "dependency approach," seeing it as the distinguishing feature of the concepts and, what is most important, the divide separating them from the theories of modernization and growth, Western monetarism and, finally, from desarrollism, whose followers had even earlier raised the problem of dependency within the framework of their system of ideas. The "dependency approach," in their opinion, united its supporters in a single "school," although it should be observed that this "unity" was never a community of the like-minded. Behind the facade of the "school" various socio-class positions showed through--from anti-imperialist and democratic through liberal and conservative, and avowedly pro-Western, what is more. And the more profoundly capitalism penetrated the fabric of Latin American society, the stronger the social delineation between the theorists of this direction became.

Having arisen in Latin America in the 1950's-1960's, the "dependency approach" soon attracted the attention of scholars of the African and Asian regions. As a whole, however, it does not--and this is particularly apparent now--exhaust the entire range of concepts which took shape within its channel. Nonetheless, it is from it that it is expedient to begin an analysis thereof and distinguish their most typical propositions.

The "dependency approach" represents a sum total of ideas aimed at proving that imperialist dependency is the main condition and determining factor of the development of the emergent countries. Dependency is interpreted here as an inalienable characteristic of "peripheral" societies; as the starting point for an explanation of the singularities of their development; as the reason for their backwardness; and, finally, as a kind of focus refracting all the events occurring in the developing world. The particular service of Latin American scholars, who were able in the period of intensive search for national strategies to focus attention on the dependency problem, can be seen in this exposition, albeit not exhaustive, of the essence of the "dependency approach". At the same time, however, specific features in the formulation of the problem characteristic of the social thought of the developing countries and meriting comprehensive Marxist analysis show through here also.

This approach was conceived in a period when all spheres of society in the Latin American countries were experiencing severe strain as a consequence of rigid dependence on the centers of imperialism, particularly the United States. The negative consequences of the Depression had not been dispersed before the continent was experiencing new economic difficulties. The Cuban revolution intensified even more realization of the peripheral character of the region. Discontent encompassed broad strata of the population. It was at that time, in the 1950's, that the West's scientific establishment began to elaborate an academic theory of growth for the "backward countries," hastily plugging the gap which had formed in the very nucleus of bourgeois political economy.

The conceptual outlines of modernization proposed by Western scholars soon began to give rise to general skepticism inasmuch as they were fundamentally at odds with the realities of the periphery. The young states perceived an acute need for concepts of a different kind--theories which would reveal the true causes of the backwardness and chart paths leading to the overcoming thereof. Following the completion of political liberation, the ruling groups of Afro-Asian countries began to take as a basis the "development" slogan, seeing it as a motto and symbol of national unity in the struggle for real independence. It remained a kind of consensus for the leaders of Latin American states also. The attention of their public and academic circles was focused on the specifics of development and the ascertainment of its differences from the processes in the centers of world capitalism.

A paradoxical situation came about in the sphere of theory. The more the young states perceived a need for an analysis of the singularities of their development, the more obviously the contrast with the Eurocentrist-oriented Western theories was manifested. In accordance with the logic of the latter, the "new nations" automatically supplement the family of developed capitalist countries after they have undergone a period of modernization, in the course of which "traditional character" is to become "contemporaneity".

In the atmosphere of general orientation toward the West theorists from the developing countries had to undergo an agonizing process of "reassessment of values," but it was even more difficult for them to influence the practice of decision-making. "I can recall," R. Prebisch, first general secretary of UNCTAD,

said in a report at the UNCTAD-II Session (1968), "the stubborn resistance which lasted up to the start of the 1950's which was caused by the very idea of industrialization, the arguments in connection with economic planning and the recurrent objections to the financing of state enterprises, even if they were working well." Breaking faith with conceptual stereotypes--and it is this that is one of the primary merits of the "dependency approach" theorists--they assiduously sought a path which would lead to the creation of a nationally oriented development concept. The revision of the old theoretical positions had begun back in the 1930's-1940's, that is, long before the first dependency concepts appeared in Latin America. In the 1950's it became particularly intensive and soon embraced other developing regions.

R. Prebisch was the first to express doubt as to the usefulness of Western theories for the development of the Latin American region. In the UN Economic Commission for Latin America he rallied around himself a large group of experts known as the "ECLA-Prebisch School," sometimes called in literature the "Desarrollist School" (from the Spanish "desarrollo"--development). Critically reexamining the ideas of neoclassicism and neo-Keynesianism, Prebisch and his associates dwelt on structuralist methodology, which began at that time to gain popularity in academic circles of the developing countries.*

The service of the Latin American theorists is that, although they remained within the framework of non-Marxist thought, they nonetheless endeavored, given use of the structuralist method, in every possible way to avoid its inherent limitations. Prebisch and his colleagues were oriented toward the internal requirements of the developing countries, primarily planned industrialization. The governments of many Latin American states followed the recommendations proposed by the desarrollists. The blow against Eurocentrism was thereby not

* Structuralism is a school of modern scientific methodology which arose in a number of sciences (linguistics, social anthropology, history, psychology, sociology and others) united by an endeavor to uncover and ascertain the structure of the objects being investigated. The emergence of this school on the basis of individual sciences engendered a multiplicity of viewpoints of the concept of structure, and the difficulties of structural analysis determined the predominant attention in structuralism to the method of cognition within the framework of each specific field.

An approach to the object of study from the standpoints of structuralism presupposes: 1) ascertainment of the system of external connections of this object and 2) a reconstruction of the internal structure of the object proper. In the philosophical-methodological plane the most important prerequisites of structuralism, as of other schools connected with a study of systemic objects, were laid down by Marx. Marx's methodological approach to capitalism as a system possessing a certain structure afforded an opportunity for in-depth penetration of the essence of social processes and exerted a considerable influence on the formation of modern methods of systemic-structural analysis.

Like any specific methodology, structuralism has certain limits of applicability. Movement beyond these limits and the absolutization and ideologization of structuralist methodology will lead to a hypertrophy of its explanatory possibilities (see "Philosophical Encyclopedia," vol 5, Moscow, 1970, pp 144-146)--Ed.

confined to the sphere of theory--it was palpable in practice also inasmuch as an endeavor to struggle for national interests strengthened in the region. The strategy of those years, which was geared to an acceleration of import substitution, appreciably advanced the development of the economy of many countries, but by the 1950's it had resulted in new problems and an exacerbation of socio-economic contradictions. It became obvious to the Latin American public that while having made a breach in "modernization theory," the desarrollists had not completed the critique thereof. Dissatisfaction with the state of scientific developments continued in university and academic circles. In the atmosphere of search and disappointments the sociologists and economists made one further attempt to strike at the canons of "catch-up development," advancing the "dependency approach" to the forefront in the ideological-theoretical dispute with the West.

The contours of the "dependency approach" were outlined in relief by the experts J. Valenzuela and A. Valenzuela. Contrasting it with the approach of the "modernizers," they reached the conclusion concerning the narrowness of the latter. It was manifested not only in the mechanistic nature of the transfer of the experience of the developed capitalist countries to the periphery but also in the substitution for sociological laws of empirical generalizations and for qualitative analysis of purely quantitative computations concerning the development of individual states. "Backwardness represents the historical legacy of colonialism," the Mexican scholar R. Stavenhagen emphasized, "and it cannot be reduced merely to quantitative measurements of a country's per capita income."* Whereas the American economist H. Chenery, who worked at that time in Latin America, believed that it was futile losing time in the search for general laws inasmuch as each country represents a specific, unique instance of development, scholars from the developing countries on the other hand considered as their task "revelation of the laws of peripheral dependent development".** It was obvious to them that the roots of backwardness could be understood only by having ascertained the specifics of the developing world as a whole.

Having adopted the standpoints of the "dependency approach," theorists from the developing countries introduced new concepts and categories. Whereas the "modernizers" emphasized attention to the microlevel and took the path of a search for the optimum solutions for so-called homo economicus, the supporters of the "dependency approach" were operating predominantly with general sociological categories. They discussed the problems of the "types of social relations" in society and their evolution and introduced in their works such concepts as "mode of production," "group and class alliances and conflicts" and "political and economic relations between the elites of the centers and the periphery". Although these concepts did not enjoy a precise and consistent interpretation, in the majority of cases they differ from Marxism, their application testified that one and the same reality--the emergent countries with their urgent need to overcome backwardness--acquired a different interpretation than in the modernization theories. The main thing was that they analyzed the object of study in a

* "From Dependency to Development: Strategies to Overcome Underdevelopment and Inequality," ed. by H. Munoz, Colorado, 1982, p 208.

** Ibid., p 47.

historical context, with regard for the influence which colonization had exerted on the developing countries, and sought the causes of the structural shifts in society itself.*

The shift in the sphere of economic theory which occurred may be categorized as a step in the direction of a historicomaterialist understanding of the process of development of the emergent states and testimony to the profound split which had arisen between the Western branch of non-Marxist political economy and the social thought of the developing countries. And although a "crisis of theory and the entire capitalist system" was not announced directly at that time, as it was later by the well-known African economist S. Amin,** mistrust in the "Western logic of thinking" increased even more.

The qualitative leap forward in an understanding of the development process which was discerned in the young social thought, which had only just laid its foundations, was of fundamental significance for the further upsurge of the national liberation movement. The service of national theorists in the frontal anti-imperialist protest of the emergent states in the world arena in the 1970's is undoubted. The countries of the developing world acted in the sphere of international economic relations as a community, and the "dependency approach" played its part in the process of its recognition. The problem of community had been discussed in national liberation literature earlier also, but it was predominantly in the culturological plane, in the theories of historicocultural distinctiveness. A new angle of approach was now illuminated--backwardness, dependency and similarity of tasks in overcoming them were appended to the factors of community or cultural processes. Recognition of the community in the social sphere of the developing countries served as a stimulus for the struggle for a new international economic order.

On the eve and at the outset of the 1970's debate developed in non-Marxist literature on the question of the essence of dependency. The West could no longer ignore this problem. It put forward a number of counterarguments, endeavoring to reduce it, particularly following OPEC's actions in 1973, to the plane of the asymmetry of relations between the periphery and the centers, thereby shifting the accent in the interpretation to interdependency. The charge was leveled at theorists from the developing countries that they were linking dependency with the nature of capitalism and the inequality of relations between countries inherent therein, which, it was said, could arise not only in the capitalist system. Such a formulation of the question encountered a critical attitude on the part of the supporters of the "dependency approach". The Latin American economist F. Cardoso declared plainly that it emasculated the anti-imperialist content of the ideas of dependency and proposed instead a version which was "directly opposite to the essence of the theory and factors which engendered it".***

* See E. Cardoso, E. Faletto, "Dependencia y desarrollo en America Latina," Chile, 1967, p 137.

** "Emerging Trends in Development Theory. SAREC Report," Stockholm, 1978, p 13.

*** "From Dependency to Development...," p 3.

The disagreements which arose led as of the 1970's to the different comprehension of dependency coming to be conveyed in English-language non-Marxist literature by different terms also--dependence and dependency. The first reduced dependency to a purely external connection between the centers and the periphery, a disturbance of the symmetry of trade-financial flows and to "crutches" of a kind, the need for which would automatically wither away by way of pushing "power relations" in the direction of equality. This viewpoint prevailed in the West, particularly in the United States. The supporters of the "dependency approach" insisted that dependency was "a method of incorporating the less developed countries in the global capitalist system" and that it is not simple asymmetry which occurs in the world capitalist economy in relations between countries but inequality. For this reason any attempt to reduce dependency to a numerical model or set of indicators "merely represents rape of the conceptual basis of dependency". "It is essential in political economy to constantly point to the unequal nature of 'interdependency,'" the Latin American economist H. Munoz emphasized.* Thus the first concepts of dependency took shape in the course of the debate in which theorists from the developing countries dissociated themselves from its interpretations in the West.

II

In the social thought of the emergent states, particularly of Latin America, the first-generation dependency concepts were predominant throughout the 1960's. They characterize the developing countries as a periphery--a sum total of specific structures and relations distinguished from the centers by the fact that it is not a self-organizing system but receives development impulses from outside. This attribute thereof goes back to the colonial period, when the metropoles incorporated the territories dependent on them in the international division of labor and the world economy on an unequal basis. Since that time the "external factor," called the "external structural condition" of dependency, has determined the direction of the development of the periphery. An "external addition" in the form of capital, technology and other resources necessary for the functioning of their economy has been received in the developing countries from the centers. Thus, the authors of the concepts (F. Cardoso, E. Faletto, O. Sunkel, P. Paz) observe, dependency is reproduced also.**

Having noted the unequal nature of the basis on which the former colonies and semicolonial territories were incorporated in the world capitalist economy, the Latin American theorists imparted to their analysis a historical and sharply social thrust, which favorably distinguishes their conceptual constructions from the theoretical outlines of the Western structuralists. The proposition concerning inequality on the one hand correlated the centers and the periphery (as parts of a single whole) and, on the other, contrasted them as systems--dominant and dependent. Furthermore, the developed has dominated the backward since colonial times. The centers are accused of having forced the periphery to play the part of "world village"--supplying the world market with raw material and tropical crops--and thereby having secured for many years the single-crop specialization of the developing economy.

* "From Dependency to Development....," p 67.

** F. Cardoso, "Preguntas de sociología del desarrollo de América Latina," Chile, 1968, p 15; F. Cardoso, E. Faletto, "Dependencia y desarrollo en América Latina," Chile, 1967, p 15; O. Sunkel, P. Paz, "El subdesarrollo latinoamericano y la teoría desarrollista" Mexico, 1970, p 18.

An essential component of practically all versions of the first-generation concepts is the proposition that the development of the emergent countries had become a function of the capitalist accumulation of the centers and depended on the movement of world capital. This thought is propounded by the Latin American scholars and shared by African theorists, particularly S. Amin and the Algerian A. (Benashenu).* Essentially the interpretation of the "external addition" as a channel of the influence of international capital on the periphery and ultimately identification of the development of the emergent states with the process of capitalist accumulation--which it is particularly important to emphasize--became a singularity of the concepts advanced by scholars of the developing countries. Whence logically followed the conclusion concerning the dependency of the capitalism developing on the periphery. With regard for such a turn of thought dependency was now interpreted as the "structural condition in accordance with which CAPITALIST ACCUMULATION (our emphasis--I.A.) within a country cannot fail to complete its internal cycle, not counting on the external addition."**

Inalienable features of the periphery, the authors of the concepts believe, are "low per capita income, its relatively slow growth compared with the population growth rate, regional disproportionality and the unevenness of the development of areas within the country, instability of the political system, inequality of social strata of the population, unemployment, an absolute surplus of labor resources, foreign dependence, inordinately narrow specialization of the production and export structures and the economic, social and cultural marginalization of the population". O. Sunkel emphasized that this entire list of characteristics is not a deviation from the norm brought about by difficulties of economic growth but an attribute of the dependent society. "There is a system which produces this result," he asserts, "and this result will be reproduced until the structure of the system is changed."*** The impoverishment of the poorest strata of the population, the ruin of the middle strata (particular hopes were put in their growth, and prospects of democratization in the economy and policy were connected with them), growing unevenness of income distribution, the increase in social contradictions as a whole, reproduction of inequality between sectors of the economy, city and village and between classes, the establishment of authoritarian forms of government--all these together are "deformations" and "imbalances" of dependent development.

The ideas of the rupture and imbalance of development under conditions of dependency are emphasized in the concepts in question. The lack of the necessary technology for the production of CAPITAL COMMODITIES, the authors of the concepts believe, automatically makes the dependent economy disintegrated in the most important component inasmuch as it deprives it of the possibility of producing commodities even for domestic consumption. In accelerating industrial development and introducing foreign technology with a high capital coefficient a state,

* See S. Amin, "Le development inegal. Essai sur les formations sociales du capitalisme peripherique," Paris, 1973; "Emerging Trends in Development Theory...," p 26.

** "From Dependency to Development...," p 46.

*** O. Sunkel, "Past, Present and Future of the Process of Latin American Underdevelopment" (STUDIES ON DEVELOPING COUNTRIES No 57, Budapest, 1973, p 9).

they emphasize, contributes to a more profound disintegration and duality than that spoken of in Western theories. The authors of the concepts explain that in this case they refer to duality not in the sense of society's division into traditional and modern. It is a question of the socio-class polarization of society into groups of rich and poor and the reproduction--in R. Stavenhagen's term--of "internal colonialism".

An anti-imperialist thrust can be discerned distinctly in these concepts. However, we cannot overlook their authors' reduction of the entire set of antagonistic contradictions of the developing society to dependence on imperialism as their first cause. The social heat of the theories in question is thereby lowered. In addition, the writing off of the socioeconomic contradictions in the emergent countries wholly and completely to dependency is being used in their selfish interests by the ruling groupings in these countries, particularly the reactionary military juntas.

Inalienable components of the first-generation concepts are ideas concerning the "exploitation" and "plunder" of the periphery by the centers by way of "nonequivalent exchange". All these factors are also seen as a reason for the developing countries' continuing backwardness. These concepts are put in quotation marks not because they do not reflect realities. The point is that their interpretation in the dependency concepts has specific features essentially distinguishing them from Marxism. Let us dwell on this in more detail.

In the social thought of the developing countries the idea of "nonequivalent exchange" arose the earliest. The early works of R. Prebisch and his ECLA associates understood by the latter unequal conditions of trade between countries, as a result of which "price scissors" form, which enables the centers to regularly withdraw, without an equivalent, the "surplus" produced in the developing world. Neither in the works of the desarrollists nor by the authors of the dependency concepts was the latter ever interpreted adequately, in terms of the Marxist theory of surplus value. The concept of "surplus" for scholars of the developing countries was connected with the bourgeois theory of the productivity of factors, according to which each factor of production in the process of distribution of the product is "due" a share equal to its "productivity". There is no room at all within the framework of this theory for newly created value: by "surplus" is understood the part of the product which has been created which corresponds to the "contribution" or "productivity" of the production factors employed in the emergent countries.

In the wake of the Western left-radical theorists A. Emmanuel,* S. Amin and other authors began to consider nonequivalent the exchange which makes it possible to detect a difference between the costly means of production created in the centers and the cheap labor (low wages) in the developing countries, hinting here at the kinship of these views with the labor theory of value of K. Marx. In the course of the debate different versions of the understanding of the nonequivalent nature of exchange arose. The final conclusion at which the authors of the concepts arrived was the proposition concerning the centers' systematic plunder (in some

* A. Emmanuel, "L'échange inégal. Essai sur les antagonismes dans les rapports économiques internationaux," Paris, 1969.

cases the concept of exploitation is employed) of the dependent periphery. The removal of the "surplus" by way of nonequivalent exchange, they believe, is not only keeping these countries in a state of backwardness but intensifying it.

In analyzing these propositions it is necessary first of all to call attention to the insolvency of the attempts to link the proposition concerning the nonequivalent nature of exchange on the world capitalist market with the labor theory of value. The law of value, according to which prices fluctuating on the market gravitate toward labor equivalents, is unswervingly--via the deviation of prices from value--paving a way for itself on the world capitalist market also. The discrepancy between individual outlays of the "peripheral" countries and socially necessary, international outlays permits the transnational corporations [TNC] to catch in the form of additional superprofits the difference in prices deviating from the prevailing average world prices downward upon the purchase and upward upon the sale of commodities. The TNC also derive superprofits thanks to better conditions of production and innovations inaccessible to the bourgeoisie of the developing countries.* All this leads to a modification of value under the conditions of the modern world capitalist economy not affecting, however, the very essence of the labor theory of value as the exchange of equivalents.

As if foreseeing the current situation which has taken shape in relations between the centers and periphery of the world capitalist economy, K. Marx pointed to the possibility of the poor countries deriving less benefit from exchange under the conditions of the domination of capitalist laws and the presence of exploitation. "...The working days of different countries," he wrote, "could relate to one another in the way that within one country skilled, intricate labor is related to unskilled, simple labor. In this case the richer country exploits the poorer even when the latter gains from the exchange." But this exploitation, Marx emphasizes, is practiced not by violation of the law of value--the latter "...undergoes an essential modification here."** "One nation could continuously appropriate part of the surplus labor of another without giving anything in exchange, but the only thing is that," Marx observes, "the CRITERION IS DIFFERENT (our emphasis--I.A.) here than given the exchange of capital and worker."***

What did K. Marx have in mind in giving the reminder about the "different criterion"? Let us turn to an analysis of the mechanism of exploitation occurring in the world capitalist economy.

Dependence on imperialism, like any form of dependence inherent in a formational structure of an antagonistic type, is essentially a class phenomenon. Its specific features in the world capitalist economy are that the relations of domination and subordination assume the nature of "poles" here formed by the classes and strata in their sum total belonging to the different types of society. The "pole" of subordination in the developing countries is represented by the working people--either already deprived of the implements and means of production or tied to traditional structures by tiny plots of land, contacts with the local market and so forth. The opposite "pole" of domination, on the other

* See in this connection "The Developing Countries in the Modern World. Unity and Diversity," Moscow, 1983, p 30.

** K. Marx and F. Engels, "Works," vol 26, pt III, pp 104-105.

*** Ibid., vol 46, pt II, p 384.

hand, represents a quite complex conglomerate and usually consists of the propertied classes of two or several states. It incorporates local strata of society (the local bourgeoisie which is becoming firmly established and the bureaucratic elite) and also factions of the ruling class of the developed capitalist states connected, as a rule, with transnational capital. The classes and strata of society grouped around it have a common interest--appropriation of the surplus product. But relations of "inequality" exist between the foreign and local groups which by nature are connected not with the extraction of surplus value but with the capture of the best conditions of the production and redistribution of the surplus and frequently the necessary product that has already been created by the working classes of the developing (and, possibly, developed) countries. Consequently, these relations are by nature not identical to exploitation.

Production relations--whether rivalry or cooperation--arise between the local and foreign exploiter groups which are manifested in the sphere of the sharing out of the surplus product produced in the dependent countries. The formation of capital and the capture of raw material and sales markets represent the specific sphere of the production relations in which this "different criterion" predominates. It is nothing other than the laws of distribution of the "masonic fraternity" of the bourgeoisie, which form the basis of the sharing out of surplus value between ruling classes--in this case of the countries of the center and the periphery. No, including power, methods and means, including "outright swindling," plunder of the natural and other resources of the dependent countries, monopoly pressure on the part of the owners of developed technology and so forth, are shunned in this "fraternity". The local bourgeoisie can employ capital "profitably without realizing an increase in its value in the strict sense," that is, derive immeasurably less profit than its brothers in the centers and nonetheless "continuously repeat exchange on an increasingly large scale."*

Attempting to comprehend the complexity of these relations, Latin American theorists expressed the opinion concerning the need for the elaboration of a procedure of calculating the influence of capital flows on the development of the periphery. A simple distinction between "influx" and "outflow" does not necessarily testify to losses of the economy since the infused capital could increase its productive capacity. Therefore the outflow of capital, the supporters of the dependency concept believe, should be counterposed to its influx in the preceding period plus "the addition to production capacity for which it caters". And inasmuch as measurement is complicated here, the entire set of arguments concerning the influence of transfers remains, they believe, open.**

We would note that statistics testify to the steady excess of the outflow of capital over its influx into the developing countries,*** particularly given the unprecedented scale of their foreign debt in recent years, the burden of payments of which is becoming increasingly insupportable for them. The exploitation of the developing countries is obvious, but it is based not on a violation of the laws of commodity production, particularly the law of value, and not in "circumvention" of the laws of capitalism but precisely on the basis of the action of

* K. Marx and F. Engels, "Works," vol 46, pt II, p 384.

** See "From Dependency to Development...," p 52.

*** And this evidently led S. Amin to formulate the question of "who is financing whom?" (TRADE AND DEVELOPMENT, Winter 1982, p 20).

these laws in relations between both types of private-ownership societies--the centers which have forged ahead in their development and the backward periphery. Dependency imparts its own specific features to the laws of capitalist production and modifies them and deprives the developing countries of the lion's share of benefits from international exchange.

III

Under the impact of new phenomena in capitalism the views of the authors of dependency concepts underwent an appreciable evolution on the eve and at the outset of the 1970's. The concepts themselves were updated to such an extent that essentially we may now speak about the second generation thereof. While having preserved their former independence of Western theories, they were at the same time supplemented by fundamentally new propositions.

The proposition concerning the division of the developing society into "traditional" and "modern," which had come from the West, was finally cast aside. Scholars from the developing countries concluded that there had been a structural shift in the development of world capitalism, as a result of which "transnational capitalism" had arisen. The "peripheral" countries, linked by dependency, came to be regarded within the framework of a single "world capitalist system". This theoretical proposition afforded new opportunities for an extended analysis of the problem of dependency. Examination of the centers and the periphery within the framework of a single macrosystem made it possible to reveal its formational-antagonistic basis and the specific manifestation of the relations which K. Marx had characterized as "SECONDARY and TERTIARY, altogether DERIVED, TRANSFERRED, nonprimary production relations"** and also to ascertain their reverse influence on the basis of the developing society.*** Of the sum total of changes in monopoly capitalism the authors of the concepts concentrated attention on the role of the TNC, which were seen as the hegemons of the world market which had made world capitalism "transnational". From this point in time they have interpreted the developing society as one of "dependent" or "peripheral capitalism".

The most detailed concept of "dependent capitalism" as a subsystem developing within the depths of "transnational capitalism" is set forth in the works of T. dos Santos, V. Bambirra and H. Munoz.**** Their main ideas are that underdevelopment is the obverse of the development of the centers and, although it is preserved, as before, it is no longer the determining characteristic of the society of the "peripheral" countries. Such is "dependent capitalism" representing the new socioeconomic system which emerged as a result of the "expansionist nature of transnational capitalism". The transition to this system and the "new mode of production" occurred because "local capital was drawn into the circulation of international capital on a dependent basis". National capital,

* K. Marx and F. Engels, "Works," vol 12, p 735.

** See "The Developing Countries in the Modern World...", pp 10-61.

**** See V. Bambirra, "El capitalismo dependiente latinoamericano," Mexico City, 1975; T. dos Santos, "La crisis de la teoria del desarrollo y las relaciones de dependencia en America Latina" (CUADERNOS DE STUDIOS SOCIO-ECONOMICOS No 11, 1970).

however, acquired the nature of reflected capital ("we are dependent on the centers--if things are going badly in the centers, they go badly in our society also").

The authors of the concept attribute the roots of "dependent capitalism" to the times of colonization, when the unequal international division of labor was conceived and the outflow of the "surplus" by way of nonequivalent exchange began. "Dependent" and, correspondingly, world capitalism have passed through distinctive phases of development. And, furthermore, each new phase of the incorporation of the peripheral economy in world capitalism (and it is precisely with the "incorporation" that the phase-development criterion is linked), the majority of supporters of the "dependency approach" believes, also represents new conditions of dependency making it even more onerous than in the past. For this reason the proposition concerning the "new character of dependency"** also became an essential component of this concept. At the present time it is expressed in the unprecedentedly increased burden of financial debt, the imposition of every conceivable fettering condition when "aid" is being granted, the undiminishing "technological backwardness" and, what is most important, in the expansion of the TNC, which are introducing to the "peripheral" countries a new version of the unequal international division of labor and intensifying the trend toward the reprivatization of state enterprises, on which the fate and functioning of national capital essentially depend.

The majority of "dependent capitalism" theorists are disposed to the thought that the "new industrializing countries" development model has its limits. It is unique, as the conditions of the development of Europe and Japan are unique. Imperialism is erecting protectionist barriers in the way of realization of this model and impeding industrial exports from the developing countries. But it is not only a question of this. "Growth oriented from outside" is complicating the formation of national capital, which has been pulled into the circulation of international capital on dependent terms. As a result, the authors of these concepts conclude, the development of the bulk of peripheral countries is being blocked and the contradiction between them and imperialism is becoming the main contradiction in the modern world. Some supporters of the "dependency approach" are disposed to the "world economic perspective" concept of the American scholar I. Wallerstein, according to which all the developing countries have a chance to reach the point of "semiperipheral" countries: while preserving certain features of the periphery (dependency), they are at the same time acquiring certain characteristics of the "centers,"*** which is easing somewhat the contradictions between the developed and developing countries.

The advanced propositions merit careful analysis, the more so in that the supporters of the "dependent capitalism" concept frequently speak of the kinship of their views with the Marxist theory of imperialism. Thus S. Amin would have us believe that "it is Lenin's theory of imperialism which constitutes the fundamental basis of the understanding of backwardness and dependency."*** Latin

* See F. Cardoso, E. Faletto, T. dos Santos, "El nuevo caracter de la dependencia," Santiago, 1966.

** See "From Dependency to Development...," p 269.

*** "Emerging Trends in Development Theory...," p 13.

American scholars also believe that "the literature on dependency with its emphasis on the expansionist nature of capital and the structural analysis of society is based on Marxist views and is tied to the Marxist theory of imperialism." At the same time, however, such assurances are accompanied by reservations to the effect that "investigation of the process in Latin America led to the need for a reexamination of the classical Leninist formulas" and that "the focus of analysis is directed toward an explanation of backwardness and not the functioning of capitalism."^{*} None of these pronouncements are fortuitous--they correspond to the nature of the social thought of the developing countries and the ideas arising in its channel.

Truly, the expansion of the capital of the centers, in which the leading position is occupied by the TNC, to which the authors of the concepts have justifiably called attention, is continuous, but it is occurring given a modification of the precapitalist relations and the intensive development (and not stagnation!) of national capitalism. After all, dependency is closely connected not only with the backwardness but also with the antagonistic nature of the capitalistically developing society in these countries. Its essence and conditioned nature cannot be understood without regard for the base, primary relations, which are based on private ownership, which is represented in the developing countries by a multitude of forms, with the unevenly developed, predominantly backward structure of the productive forces.

An entire sum of social contradictions--precapitalist, capitalist and imperialist--tied in a single knot springs up in this soil. And it is this unity of theirs which confronts the progressive forces of the developing countries with complex tasks of combination of the struggle against imperialism with the need for internal democratic transformations. Oriented predominantly toward the anti-imperialist struggle, the authors of the "dependent capitalism" concept thereby relegate to the background, as it were, the problems of the internal class collisions ensuing from the social contradictions of the capitalism being established (or already mature) and preserved, albeit appreciably modified, traditional structures. "We believe, as before," the Uruguayan communist J. (Lasbal) writes, arguing against this position, "that the main contradiction in our country appears as a 'knot of contradictions' and we reject the idea of the establishment of some hierarchy of contradictions, particularly imperialist domination, unearthing it from the system of interdependence."^{**}

The authors of the dependency concepts frequently enlist in support of their propositions the views of R. Luxemburg, who believed that the explanation of the economic roots of imperialism should be deduced specially from the laws of capital accumulation and capitalism's interrelationship with the precapitalist environment.^{***} In deducing the economic essence of "dependent capitalism" from the laws of the accumulation of capital on a world scale the authors of the concepts return us, unfortunately, to the mistakes of R. Luxemburg, calling this a "revision of Lenin's theory of imperialism".

* "From Dependency to Development...", p 25.

** Juan (Lasbal), "On the Question of the Level of Latin America's Capitalist Development" (RABOCHIY KLASS I SOVREMENNY MIR No 1, 1981, p 129).

*** See R. Luxemburg, "Capital Accumulation," vols I and II, Moscow-Leningrad, 1937, pp 384-385.

The majority of the authors of the concepts in question does not share the views of Western theorists concerning the automatic overcoming of dependency as the periphery is industrially developed. Such a chance, they believe, could fall to the lot of individual states and cannot acquire the force of a law of a "world economic system" in which "peripheral" countries are incorporated. Scholars from these countries are inclined to believe that dependency, which is organically inherent in the structure of the "world system," may be overcome only by way of "a change in the structure itself".* But how are these changes to be achieved, of what kind should they be and what is the strategy of their achievement? The 20th session of the International Studies Association (Toronto, 1979), which is headed by (Dzh. Kaporazo), ascribed these questions to the "most critical sphere of disagreements" and described the alternative strategies which were put forward as "insufficiently known and comprehensible".**

The following paths may be distinguished with which the authors of the dependency concepts connected a solution of the problem of overcoming it: a) the establishment of a new international economic order; b) the creation of a system of collective self-sufficiency (the South-South program); c) democratic transformations within the country; d) transition to socialism. None of these strategies, as a rule, is conceived of in isolation from the others and is combined with them depending on the class positions of their authors.

The strategy for overcoming dependency on the paths of collective negotiations with the capitalist centers in the 1970's was approved by practically all the developing countries, which supported the new international economic order (NIEO) program. Pakistani scholar Mahbub ul-Haq observes that the NIEO is a "movement for the historical long term and not a one-time protest": "the nations' interests" should be "balanced" in the course of negotiations with the "rich countries". The developing countries must act in these negotiations as a "united trade union" and demand "not so much the mass distribution of past income and wealth" as "the redistribution of opportunities for future growth".***

S. Amin, who once actively supported the NIEO program, recently expressed disenchantment with its actual results: "The NIEO has failed... the developing countries were unable to completely keep up a united front."**** In his opinion, the majority of the emergent states, more precisely, the local bourgeoisie, is capitulating in the face of the strategy of the TNC, which are relocating in the emergent states processes which are outdated in the centers and inciting competition between countries of the periphery. Only a small number of states, he observes, have been able to stand firm in the face of the pressure of the TNC and, having declined the implantation of their affiliates in their countries, aspire, as before, to negotiations.

* O. Sunkel, Op. cit., p 9.

** "From Dependency to Development...", p XI.

*** Ibid., p 218.

**** See TRADE AND DEVELOPMENT, Winter, 1982, p 9.

The works of certain authors also contain calls for a deliverance from dependency by having provided for capital accumulation by internal efforts on the paths of collective self-sufficiency and the integration of the economies of the developing countries. When in individual instances this viewpoint is presented as a program of a way out of the sphere of action of the world economy and a break with the international division of labor or, in the terminology of the dependency concept, "detachment" from them, the utopianism of such an approach is obvious.

As a whole, the dependency concepts elaborated by scholars of the developing countries are characterized by an anti-imperialist thrust. Some authors link the problem of overcoming dependency with the need for internal transformations taking account of the evolution of the state in the countries of the periphery. There is a growing understanding among the supporters of the "dependency approach" that overcoming dependency is possible on the paths of a combination of anti-imperialist and democratic struggle aimed against the monopoly trends maturing in the developing countries. Indicative in this respect is a recent work of the progressive Mexican sociologist and economist A. Aguilar. To the question (the book is written in question and answer form) "is it sufficient to know that Mexican capitalism is dependent?" he gives the following answer: "For an adequate and in-depth understanding of the dependency phenomenon it is important to see the changes which it undergoes in each historical phase of development. But these are primarily changes of capitalism fetishized by the specific-historical singularities of each country.... These countries know only deformed capitalism--their dependency in the phase of imperialism becomes an organic feature and structural property from which, contrary to the opinion of the reformers, deliverance is possible only on the paths of revolution. It will overthrow the power of the bourgeoisie and ensure the foundations of socialism. And in order to achieve this it is not enough to struggle only against dependency, a precise knowledge of all the most acute contradictions of capitalist development at each stage thereof is essential also."*

Currently an intensive process of ideological delineation among the supporters of the "dependency approach" is under way--in respect of their attitude toward capitalism as a social system and the national liberation movement. This process is affecting the world-outlook positions of their authors and their understanding of the connection between dependency and the entire system of capitalist relations which have taken shape in the country. Dependency concepts currently represent a multilayer, heterogeneous and relatively motley variety of ideology in the developing countries. This stream of non-Marxist thought expresses the anti-imperialist protests of the democratically disposed strata of society, which are sometimes still afraid of entering into a united front with all the progressive forces and their most consistent detachment--the communists--the theoretical basis of whose activity is Marxism.

The spokesmen for the interests of the haute bourgeoisie, the bureaucratic and traditional strata and pro-Western bourgeois reformists who are in power and who are concerned to blunt popular dissatisfaction with the unsolved state of domestic social problems also sometimes appeal to the ideas and concepts of

* See A. Aguilar, "Estado, capitalismo y clase en el poder en Mexico," Mexico City, 1983, p 51.

dependency. Attempting here to "blow off steam" and frequently resorting to anticomunism and anti-Sovietism, they are glossing over the true causes of internal social antagonisms. In this case it is essential to distinguish the anti-imperialist concepts themselves, albeit intrinsically contradictory, from attempts to use them to the detriment of the interests of the national liberation and class struggle of the peoples of the developing countries.

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SURVEY OF WORLD EVENTS SEPTEMBER-NOVEMBER 1985

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 76-95

[V. Vadimov international review: "Current Problems of World Politics"]

[Text] In terms of its saturation with events and their long-term consequences for the fate of entire peoples and our entire planet the fall of the past year will undoubtedly occupy an important place in the history of contemporary international relations. The period in question is characterized both by the continuing complexity and tenseness of the situation in the world and the appearance of real prerequisites for a change for the better in world politics. The Soviet-American summit in Geneva cut through the gloomy atmosphere of confrontation like a ray of hope. And this was primarily the result of purposeful, persevering efforts made by the USSR and its allies in support of peace and the security of all peoples.

1. Program of Creation and Peace

The pulse of our country's political life is beating in an intense, precise rhythm. Preparations for the 27th CPSU Congress have unfolded everywhere and extensive, nationwide discussion of the decisions of the CPSU Central Committee October Plenum, which approved documents of tremendous theoretical and political importance: the drafts of the new version of the CPSU Program, the CPSU Rules (with the proposed changes) and also the Main Directions of the USSR's Economic and Social Development in 1986-1990 and the Period up to the Year 2000 has begun. A session of the 11th USSR Supreme Soviet was held 26-27 November, examining vitally important questions of communist creation and peace.

Abiding by Leninist traditions, the party appeals to the people and their inexhaustible collective experience in the present crucial, largely pivotal period in the history of Soviet society to ensure the most efficient ways of solving the economic and social problems confronting the country.

Both the draft Main Directions of the USSR's Economic and Social Development in the upcoming 5-year period and the plan and budget for 1986 clearly reflect the pivotal idea of the draft new version of the CPSU Program: via an acceleration of the country's socioeconomic development to the achievement of a qualitatively new state of Soviet society.

The party has set large-scale and at the same time realistic tasks corresponding to the requirements of the present stage of social development: a doubling of the country's production potential prior to the year 2000 given a fundamental qualitative renewal thereof; transition to an economy of the highest organization and efficiency with comprehensively developed productive forces and mature socialist production relations; an unswerving improvement in Soviet people's living and work conditions; the increasingly full realization in the main spheres of social relations of the principle of social justice; strengthening of the fraternal friendship of all the country's nations and nationalities; improvement of Soviet democracy and the increasingly full realization of the people's socialist self-management; and the formation of the harmoniously developed, socially assertive personality.

The plan and budget indicators for 1986 confirmed by the USSR Supreme Soviet session correspond in terms of their fundamental thrust to the strategic course charted by the party. The main distinguishing singularity of the plan quotas in the first year of the new 5-year plan is the fact that the growth rate which they envisage is higher than the average annual rate achieved in the 11th Five-Year Plan. It is planned that the country's national income will increase 3.8 percent, the industrial product 4.3 percent, the agricultural product 4.4 percent and labor productivity 3.8 percent.

One further particular feature of the plan is that it emphasizes the need for an acceleration of scientific-technical progress and the fulfillment of quotas pertaining to the priority areas of science, technology and technique, including the development of new-generation machinery and equipment. Considerable changes are also envisaged in basic national economic proportions, including an increase in the proportion of accumulation in the national income, which is intended to increase the capital investments channeled into the modernization and retooling of industry.

The plan for 1986 is characterized by an orientation toward the practical transition to intensive methods of management. Ever increasing significance is attached to economies and thrift and the application in the economy of progressive resource-saving technology. It is contemplated obtaining 97 percent of the increase in the national income thanks to increased labor productivity. Material outlays on the national economy as a whole are to decline by R3.6 billion.

The plans of the CPSU and the Soviet state testify convincingly that only a comprehensively substantiated economic strategy, effective social policy and purposeful ideological-educational work in their inseparable unity can stimulate the human factor, which determines the accomplishment of all the tasks set by the party. The guarantee of their successful accomplishment is Soviet people's direct interest in our country's achievement of new, high frontiers and a strengthening of the wealth and might of the motherland.

Commenting on the work of the USSR Supreme Soviet session and the decisions which it adopted, the foreign mass media have been calling attention to the fact that, despite the complex, tense international situation, the Soviet Union is not increasing defense spending: the plan for 1986 envisages for it the same volume as in 1985.

All Soviet people's aspirations and designs are directed toward constructive, creative goals. Our country has far-reaching plans for the building of the new society, and for this peace is essential.

2. Crucial Stage of Development for the Socialist World

Describing the state of relations between socialist states, M.S. Gorbachev observed in the report at the USSR Supreme Soviet session: "The political and economic relations of the socialist community countries have been stimulated and intensified considerably in recent months. Long-term programs of cooperation in the sphere of the economy and scientific-technical progress have been elaborated. A mechanism of current, specific relations has been created, and the coordination of foreign policy activity is becoming closer."

An important landmark on the path of the further cohesion of the socialist community was the meeting of the Warsaw Pact Political Consultative Committee [PCC].

The PCC meeting was held at an extraordinarily complex and crucial time. International tension had increased sharply since the last, Prague, meeting (January 1983). The deployment of American nuclear weapons had begun in the FRG, Britain, Italy and Belgium. The deployment of cruise missiles in Holland is scheduled for 1988. The prospect of the spread of the arms race to space has become a menacing reality.

Having analyzed the current situation, the top leaders of the Warsaw Pact states concluded: "The world has approached a line beyond which events could get out of control". As the declaration "For Removal of the Nuclear Threat and a Change for the Better in European and World Affairs," which was adopted at the PCC meeting, emphasized, this complex situation requires a new approach to policy corresponding to the realities of the present-day world and mutual restraint.

The number of unilateral good will actions which were adopted by our country and wholly supported by the participants in the Sofia meeting were convincing testimony to the fact that the USSR and its allies adhere to such an approach not in word but in deed.

The states represented at the meeting gave a reminder in the declaration of proposals which they had put forward earlier addressed to the NATO members and which preserve their relevance in full. They provide for direct negotiations concerning: the conclusion of a treaty on the mutual nonuse of military force and the maintenance of relations of peace between the Warsaw Pact states and the NATO countries;

a nonincrease and reduction in military spending;

the deliverance of Europe from chemical weapons.

The conferees emphasized the vital need for an extension of the political dialogue between European countries in various forms and at various levels in the interests of an improvement in the atmosphere on the continent and a strengthening of mutual trust.

It was stated once again in Sofia that the cardinal task of our time is stopping the arms race, nuclear primarily, and switching to disarmament. A practical contribution to this cause would be a halt to all work on the creation, testing and deployment of attack space-based arms, including antisatellite weapons, and a freeze on the existing nuclear arms at the present quantitative levels with the maximum limitation of their modernization given a suspension of the creation, testing and deployment of new kinds and types of such arms and the United States' adherence to the moratorium on all kinds of nuclear explosion announced by the USSR.

Besides, the leaders of the fraternal socialist countries proposed that the USSR and the United States undertake not to create and not to produce new types of conventional arms comparable to weapons of mass annihilation in terms of their destructive possibilities.

The leaders of the socialist community countries paid great attention to the situation taking shape in the Asian, African and Latin American developing countries, where there are many dangerous hotbeds of tension. Having declared solidarity with the struggle of the peoples of these continents for independence and social progress, they emphasized the need for a decisive end to the imperialist policy of force and interference in the internal affairs of other countries and acts of aggression and a solution of conflict situations and disputes between states by peaceful means.

The conferees appealed to the governments and peoples of all countries of Europe and other continents for a unification of efforts in the struggle against the threat of general annihilation looming over mankind. Operating actively and cohesively, the forces of peace are capable of averting a nuclear catastrophe and ensuring the highest right of the peoples--the right to a peaceful life and independent and free development--the declaration says.

The strength of the alliance of the fraternal socialist countries is the guarantee of their successes in the sphere of domestic and foreign policy. The results of M.S. Gorbachev's visit to the People's Republic of Bulgaria were convincing evidence of this.

The core of Soviet-Bulgarian relations is the time-tested combat alliance of the CPSU and the Bulgarian CP and their political and ideological unity on the permanent basis of Marxism-Leninism and socialist internationalism. Having made a high evaluation of the degree of cooperation in various spheres, the leaders of the two countries confirmed their intention to intensify and expand the mutual relations and increase their efficiency.

Interaction between the Soviet and Bulgarian economies is becoming increasingly close, and new forms of economic and scientific-technical cooperation in the leading sectors of production are being introduced. The negotiations in Sofia recognized the importance of an acceleration of the introduction of scientific-technical achievements and the maximum use of both the production opportunities and internal resources of each country and the advantages of the international socialist division of labor based on the coordination of economic policy and the joint elaboration of the strategy of a further intensification of both states' economic relations.

Growing interaction characterizes the relations of the Soviet Union and the other fraternal countries. The documents signed at the end of October 1985 by representatives of the planning authorities of the USSR and Czechoslovakia may serve as an example. They summed up the work on the coordination of the two states' national economic plans for 1986-1990. The agreements on fundamental questions of Soviet-Czechoslovak economic relations arrived at during M.S. Gorbachev's meetings with G. Husak and the negotiations of the heads of government of the USSR and the CSSR were specified in the course of the consultations.

An extension of integration in the sphere of machine building, a further expansion of production specialization and cooperation and the establishment of direct relations between industrial enterprises and scientific-technical organizations will continue to be the basis of the development of bilateral cooperation in the economic sphere. The planned commodity turnover in 1986-1990 will increase by approximately one-third compared with the current 5-year period and amount to almost R73 billion.

A protocol was signed in October on the results of the coordination of the state plans of the USSR and the GDR for 1986-1990 and the longer term. In accordance with the agreement reached during M.S. Gorbachev's meeting with E. Honecker on questions of the further development of all-around cooperation between the USSR and the GDR, the document provides for an extension of the division of labor and specialization and cooperation in the main sectors of the two countries' national economy for the purpose of an intensification of social production and the stable and dynamic growth of reciprocal commodity turnover. In the coming 5-year period it will be in excess of R82 billion, that is, will increase almost 30 percent compared with the preceding 5-year period.

A most promising area of the fraternal states' cooperation based on the international socialist division of labor is the establishment of direct ties between economic and scientific-technical organizations of the CEMA countries. The CEMA Executive Committee 116th Session was devoted to an examination of the possibilities and problems which exist here.

The CEMA countries agreed to direct the development of direct relations primarily toward the accomplishment of tasks of the intensification of social production. The main attention here will be concentrated on cooperation in the development and introduction of the latest techniques, technology and materials and in a rise in the technical level and quality of products and also, where necessary, given the expansion and modernization of production capacity by joint efforts. The session approved a plan of cooperation in the sphere of standardization for 1986-1990. It provides for the elaboration of uniform standards in respect of the priority areas of cooperation, particularly for electronic, microprocessor and robotics products, flexible production systems and other products determining scientific-technical progress.

Important events took place in the recent period in the life of individual countries of the community. This applies primarily to Poland, where elections to the Sejm were held on 13 October. The preparations for them had taken place in a complex situation, which was connected, inter alia, with the difficulties

in the economic sphere. In 9 months of 1985 industrial production in the country grew 2.7 percent compared with the planned target of 4-4.5 percent. A number of important sectors--chemical, metallurgical and certain others--underfulfilled the production plans. Consequently, realization of the program for a rise in the working people's well-being was slowed. An antisocialist rabble, which operated in close coordination with the propaganda machine and special services of the West, persistently attempted in the course of the election campaign to speculate on the difficulties still being experienced by the country. All the more convincing is the active support which the vast majority of the country's population showed for the policy of the Polish United Workers Party [PZPR] aimed at a normalization of the situation. Despite the calls of Western "radio voices" for a boycott of the elections, 78 percent of the electorate participated in them. Over 20 million voted for the lists of candidates of the Patriotic Movement for National Rebirth.

The results of the elections were a big defeat for the remnants of the antisocialist elements and the latest severe failure of Western centers, which were hoping for the success of the call for a boycott. The analysis of the course of the election campaign and the results of the voting enabled the PZPR to draw the important conclusion for the fate of the country that in recent months the mood of indifference had begun to recede and that assertiveness had become a mass phenomenon. The concept of the building of a so-called "second society" per the prescriptions of the antisocialist opposition failed. Polish society took an important step forward along the path of consolidation.

Recent months were marked by many important events in the life of the PRC. An all-China party conference and also the 12th CCP Central Committee fourth and fifth plenums were held in September. The main place at the party forums was occupied by the personnel question. The requests of 131 party veterans that they be released from their positions in the highest organs of the party were satisfied, and new CCP Central Committee members and candidates and the members of two central commissions were additionally elected. Approximately 20 percent of the Central Committee was replaced. There were major personnel moves in the Central Committee Politburo also: 10 veterans retired (more than 40 percent), and 6 new members were elected, 3 of whom were brought into the Central Committee Secretariat.

The conference also examined the situation in the country's economy and approved the draft "CCP Central Committee Proposals Concerning Compilation of the Seventh Five-Year Plan of the PRC's Economic and Social Development (1986-1990)". The conference noted the successes which had been scored in recent years in various spheres of the country's life, primarily in the economic sphere, and emphasized that the task of a fundamental improvement in China's financial-economic situation "has been accomplished, in the main".

At the same time Zhao Ziyang, premier of the PRC State Council, declared, since the end of 1984 "a whole number of problems such as the too high level of increase in industrial production, unduly large investments in fixed capital, the inordinate growth of credit and the consumption funds, a sharp spurt in prices of certain types of raw material and a reduction in official foreign currency reserves has arisen here." It was also noted that agriculture "remains relatively weak as yet," "the question of clothing and food" in a number of

rural areas of the country "still awaits further solution" and a "highly strained situation" has come about in the sphere of fuel, energy, raw material, transport and intermediate product supply.

A priority task confronting the Chinese economy is a fundamental technical modernization of industrial enterprises. Although in the last 5-year plan (1981-1985) the rate and scale of the retooling of industry increased (almost 67 percent more resources were allocated for this purpose than in the period of the preceding 5-year plan), nonetheless, the technical backwardness of the enterprises is, as before, a factor impeding the development of the country's economy and its foreign trade relations.

At a meeting in October the PRC State Committee adopted the decision to begin the wide-ranging retooling of several thousand large and medium enterprises. The third all-China conference on technical progress at the enterprises held at the end of November in Beijing was also devoted to this problem. Addressing it, Lu Dong, chairman of the PRC State Economic Commission, emphasized that "poor quality and big material losses in the production of products are the Achilles' heel of the Chinese economy." Disquiet was also expressed in connection with "thoughtless" machinery and equipment imports.

A number of new features appeared in the period in question in the PRC's foreign policy also. Thus reacting to the biggest international event of 1985--the Soviet-American summit--the Chinese leadership evaluated the fact that it took place positively as a whole, although it again confirmed its adherence to the "equal responsibility of the superpowers" concept.

3. Return to Detente--Command of the Times

The peaceful, creative thrust of the plans of the party and the entire Soviet people are the most convincing proof of the love of peace of our country's foreign policy. "...Our policy is entirely predictable," M.S. Gorbachev said in the report at the CPSU Central Committee October (1985) Plenum, "it contains no puzzles and uncertainties. It is a policy based on Lenin's idea of the peaceful coexistence of the two opposite systems. We proceed from the fact that only a stable and reliable policy is worthy of states and parties aware of their responsibility for the fate of peace in our contradiction-filled age." The peace-loving essence of the CPSU's foreign policy activity, which ensues from the humane nature of the socialist system, has been expressed clearly and precisely in the draft new version of the party program. It not only proclaims the ideal of socialism--a world without wars and without weapons--but determines the ways to achieve this noble and magnificent goal.

The past months showed once again that purposeful, persevering struggle for the removal of the nuclear threat and an improvement in the international situation forms the pivotal direction of the foreign policy of the USSR and the other socialist community countries.

M.S. Gorbachev's visit to France took place at the start of October. The top-level Soviet Soviet-French meeting was a major event going beyond the framework of bilateral relations. It was essentially a question of a resumption of regular top-level contacts between two countries which largely determine the trends of European policies.

In the course of the visit the Soviet leader promulgated a whole set of large-scale peace initiatives and unilateral steps taken by the USSR in the interests of an improvement in the international atmosphere and to facilitate the progress of the disarmament negotiations. These included the proposal put forward at the Geneva negotiations on nuclear and space-based arms concerning a complete ban for both sides on strike space-based arms and a truly radical, 50-percent, reduction in their nuclear arms capable of reaching one another's territory;

a proposal concerning the conclusion of an agreement on a mutual reduction in intermediate-range nuclear missiles in Europe separately, not directly linked with the problem of space-based and strategic arms;

the USSR's decision to take down from duty alert the SS-20 missiles additionally deployed in its European zone in response to the deployment of the American intermediate-range missiles in West Europe and to dismantle the fixed installations for these missiles.

Considering the rapid growth of the nuclear potential of France and Britain and its increased role in the European balance of nuclear forces, the Soviet side expressed the opinion that it was time to begin a direct discussion on this subject and attempt to find an acceptable solution by joint efforts. It also put forward a number of proposals and ideas aimed at the achievement of progress at the multilateral disarmament negotiations. Thus the Soviet leadership declared its readiness to take part in the formulation of an international agreement on the nonproliferation of chemical weapons.

The Soviet side also supported the proposal expressed by the neutral and nonaligned states at the Stockholm Conference on Confidence-Building Measures and Disarmament in Europe concerning the mutual exchange of annual plans of military activity of which notice has to be given. Such an exchange--within the context, of course, of a broader arrangement incorporating specification and the imparting of the maximum efficacy to the principle of the nonuse of force--and also a certain set of confidence-building measures in the military sphere would help overcome suspicion and make hidden preparations for war more difficult.

In the course of the negotiations in Paris the Soviet leadership also put forward or developed proposals concerning an extension of bilateral and all-European cooperation in the economic, scientific-technical and cultural spheres. In particular, the usefulness of the establishment of more practical relations between CEMA and the EEC was emphasized, and, furthermore, to the extent that the EEC countries act as a "political unit" the USSR and the other CEMA states are prepared to seek a common language with it on specific international problems also. Such interaction could also incorporate parliamentary ties, with those representing the European Parliament also.

The thought was expressed concerning the possibility of the establishment in some form or the other of contacts between the Warsaw Pact and the North

Atlantic alliance as organizations and concerning the creation of a "modus vivendi which would take the edge off the seriousness of the present confrontation in Europe."

Evidence of the big possibilities of the further development of the bilateral economic and scientific-technical ties of the USSR and France was the agreement on the two countries' economic cooperation for the period 1986-1990, which was signed on 4 October, and also the arrangements which were arrived at concerning the participation of a French cosmonaut in a long flight on board the Soviet orbital station and possible cooperation on the construction of an international "Tokamak" thermonuclear reactor.

The new Soviet initiatives had the broadest international repercussions and were a subject of close study throughout the world, primarily in West Europe. According to the American press, a few days after the Soviet leader's visit to Paris the governments of the FRG, Britain and the Netherlands "engaged in urgent research to prepare for Washington political proposals taking account of their own interests" and the new Soviet proposals. Particular attention was elicited in the West European countries by the USSR's readiness to conclude a separate agreement on a reduction in intermediate-range nuclear missiles in Europe not directly connected with space-based and strategic arms.

The positive reaction throughout the world to the Soviet initiatives, particularly on the part of the public and ruling circles of the United States' West European allies, caused confusion and perplexity in Washington. In order to somehow neutralize the broad support which the USSR's large-scale proposals had gained the White House resolved to conduct an emergency meeting of leaders of the "big seven"--the United States, Britain, France, the FRG, Canada, Italy and Japan--for the purpose of formulating a common approach by the leading capitalist states to East-West relations at the Geneva meeting. However, the idea of such a meeting strained relations between the United States and some of its allies. French President F. Mitterrand declined to participate therein altogether, while the small NATO members, Belgium and Holland, openly expressed dissatisfaction that attempts were being made to push them aside from the discussion of such important issues.

The less time there remained until the Soviet-American top-level meeting, the more unease and nervousness were displayed by the supporters of a hard line in the United States in connection with its possible positive outcome. According to the LOS ANGELES TIMES, the hawks in the Defense Department were awaiting the summit "with fear and loathing".

Indicative in this respect was the interview which U.S. Defense Secretary C. Weinberger gave to the French journal L'EXPRESS shortly before the meeting in Geneva, in which he very candidly set forth the approach of the supporters of a hard line toward the Soviet-American negotiations on questions of arms limitation and a suspension of the arms race on Earth and its prevention in space.

Question: If you succeed in concluding a balanced treaty on a significant arms reduction, will you be prepared to suspend the testing and deployment of the systems being developed within the SDI framework? Answer: Of course not....

Question: How, in your opinion, will the Treaty Limiting ABM Systems, which was signed in 1972 and which imposes strict limitations on defensive systems, be an obstacle in the way of deployment of the SDI? Answer: No, in no way.

Militarist circles in the United States made their own preparations for the Geneva meeting, endeavoring to render impossible in advance a constructive dialogue on problems of disarmament and to create conditions for negotiating with the USSR "from a position of strength".

In terms of intensity and the potential consequences for the cause of general peace and disarmament the Pentagon's militarist preparations were raised to a qualitatively new level in this period. Here are just some of its actions which have been made public: the flight of the multiple-use Atlantis spacecraft, which was carried out, like the preceding flight of the Discovery spacecraft, within the framework of the "star wars" program; tests of a laser weapon against a ballistic missile in flight and in launch position; the launching of the seventh Ohio-class nuclear submarine; the testing of a new sea-based strategic cruise missile; the early deployment in the FRG of all 108 Pershing 2's, which was carried out, as Pentagon representatives acknowledged, in the fear that "at the top-level Geneva meeting... a decision could be made on an immediate suspension of the deployment of intermediate-range missiles in the West and in the East."

While contemplating the creation of an antimissile "shield" (\$2.7 billion have been allocated for realization of the SDI in the 1986 fiscal year, which began 1 October) the United States is persistently modernizing its strategic "sword". In 1985 the number of warheads on American SLBM's increased to 384, while the total yield of submarine-based nuclear weapons grew to 11.2 megatons. In the 1986 fiscal year the Pentagon plans supplementing its nuclear arsenal by 12 MX missiles and spending \$2.1 billion on the creation of the Trident SLBM.

In the week preceding the Geneva meeting the U.S. military-industrial complex and its stooges in the State Department carried out a whole series of preemptive operations at the foreign policy level. Their general purpose was to push the administration into actual renunciation of compliance with the ABM Treaty and the SALT II Treaty and thereby undermine the basis for constructive dialogue on disarmament problems in Geneva.

The first such operation was conducted against the ABM Treaty. Disclosing its motives, the American commentator D. Oberdorfer wrote: "Some people in the administration are in a state of 'high anxiety' concerning the fact that Reagan might consent to some limitations in respect of SDI at the Soviet-American summit and are for this reason attempting to block such a possibility, now coming up with a different interpretation of the ABM Treaty." On the initiative of the "civilian militarists" in the Pentagon--F. Ikle and R. Perle--the treaty was "analyzed" in order to assess its impact on strategic defense systems. A certain (Kansberg), assistant district attorney (!) of New York, was invited to make this "analysis". The parvenu "specialist," "who has to his credit a fight against pornography merchants and the mafia, but who has no experience in the arms control field, spent less than a week studying secret documents concerning the ABM negotiations," the WASHINGTON POST wrote sarcastically. His findings, which were set forth in a 19-page report, caused a sensation in Washington

inasmuch as they led to a "new legal interpretation" of the treaty exempting the United States from the majority of limitations in respect of "star wars".

R. MacFarlane, the President's national security adviser, hastened to convey this "discovery" to the public, declaring in a television interview on 6 October that the testing and development of ABM systems based on new physical principles were not prohibited but, on the contrary, "approved and sanctioned by the treaty." As the WASHINGTON POST observed, "the staggering pronouncement of a high-ranking official signifying an almost 180-degree turn in the United States' long-standing attitude toward the treaty has shocked... the United States' allies in Europe and the members of Congress disposed toward arms control." G. Smith, a veteran of arms limitation negotiations, called the debate which began in the administration on the new "interpretation" of the ABM Treaty "absurd". D. Fascell, chairman of the House Foreign Affairs Committee, condemned the Reagan administration's new interpretation of the treaty as "not inspiring confidence". The British Government expressed "concern and dissatisfaction" apropos the revision of U.S. policy in this sphere. The FRG Government asked Washington "to clarify the possible new interpretation of the 1972 ABM Treaty," which as DPA observed, could, given certain circumstances, call in question both the treaty itself and cooperation within the framework of space "research" pertaining to SDI.

In order to somehow take the edge off the conflict which was heating up and not enter into a public confrontation with lobbyists of the military-industrial complex the White House agreed to a compromise solution: the administration would accept the "new" interpretation of the treaty but also preserve the "old" interpretation limiting testing and deployment in respect of the "star wars" program as an aspect of its practical policy.

However, such an ambiguous decision did not reassure the United States' West European allies. The question of American leading circles' "radical" approach to key provisions of the ABM Treaty was the central issue at the special NATO Council session in Brussels on 15-16 October.

Whereas Washington had originally approached this measure merely as a formal concession to the small countries of the bloc which were unhappy that they had been left on the sidelines of the emergency meeting of leaders of the foremost Western countries which Washington had arranged on the eve of the Geneva meeting, the campaign of the Pentagon hawks against the ABM Treaty imparted an entirely different turn to the council session of the North Atlantic alliance. "Secretary of State G. Shultz will first of all have to answer the Europeans' questions as to why without prior notification and consultations within the NATO framework the United States fundamentally altered, as a surprise to all, its previous official interpretation of the treaty limiting antimissile defense systems," the West German GENERAL-ANZEIGER wrote. "Compliance with the provisions of this document was a prerequisite for important preliminary accords between Washington, Bonn and the remaining NATO partners concerning the SDI." It was only with great difficulty that U.S. Secretary of State managed to reassure the West European allies.

Nonetheless, the echoes of new strain in transatlantic relations again made themselves known at the NATO Nuclear Planning Group meeting held 20-30 October.

As the British press wrote, it was only as the result of "last-minute arm-twisting on the part of NATO Secretary General Lord Carrington that the United States' allies... supported President R. Reagan's position on the eve of his meeting with M.S. Gorbachev. They approved the American approach to a broad range of arms control issues, including the 'star wars' program, which is giving rise to arguments."

The decisive role in shaping NATO's position was performed by leading circles of Britain and the FRG. The conservative forces in these countries are endeavoring to raise their prestige in the eyes of the transatlantic ally, demonstrating active support for the "star wars" plans. In addition, both states' military-industrial complexes are hoping for big profits from participation in the SDI. Thus London proposed to Washington the conclusion of an intergovernmental agreement on SDI on condition that British firms be granted contracts totaling \$1.5 billion.

In the context of "preparation" of the world community for the Geneva meeting the Washington administration placed certain hopes in R. Reagan's speech at the UN General Assembly anniversary session, which was held on 24 October. However, instead of a specific response to the proposals advanced by the Soviet Union in the disarmament sphere, as many strata of the public in the United States and West Europe had expected, the White House made an attempt to shift the emphasis from questions of arms limitation to problems of the so-called "settlement" of regional conflicts.

Reagan's speech was negatively assessed by the majority of developing states, whose representatives pointed out that it had failed to reflect the problems troubling them first and foremost: the situation in Southern Africa and Namibia, the complex of North-South relations and the problem of overcoming the economic difficulties of Asian, African and Latin American countries, their constantly growing financial indebtedness to the Western countries and banks and a settlement in the Near East, including a solution of the Palestinian problem.

Even the heads of state of a number of the United States' allies who had come to New York for consultations with Reagan on questions of the formulation of the West's uniform position at the Geneva summit also were surprised and disappointed by his speech.

The American-West European differences were manifested as clearly as could be at the meeting of leaders of certain Western states in New York. "Following a round of individual meetings and a 2-hour 'mini-summit' the allies (of the United States--B.V.)... were hardly 'in step' with the American leadership on disarmament issues," the magazine NEWSWEEK noted despondently. While publicly expressing delight in connection with the "collective support" which the United States had obtained on the threshold of the summit, the President's advisers did not even attempt to draw up a joint communique containing an expression of such support. More, the scale of the American-West European disagreements on the future of East-West relations which had been revealed toward the end of October became a subject of Washington's serious concern and a principal stimulus of a certain reorganization of the U.S. approach to the impending meeting.

A new "anti-Geneva" operation was conducted by the hawks in November--on this occasion against both the ABM Treaty and the SALT II Treaty. The instigators of the operation hoped to push the administration toward a refusal to comply with the provisions of the SALT II Treaty, whose term is expiring (on the pretext that the USSR "intends" violating this treaty) and endeavored to tightly block the possibility of serious dialogue in Geneva on problems of preventing a race in antimissile arms.

As the Geneva meeting approached, the internal contradictions in the American leadership itself even intensified. As senators S. Nunn and W. Cohen put it, "guerrilla war has broken out within the administration between those who see no point to relations with the Russians if these relations do not meet our conditions and those who discern benefits in the achievement of compromise."

It is perfectly natural that the Soviet side attentively observed how the American partner prepared for the meeting. The maneuvers of the opponents of an improvement in the international atmosphere cannot fail to cause serious concern in the USSR and in many other states. But at the same time the Soviet Union, as M.S. Gorbachev emphasized at a press conference in Geneva, "understood full well that the situation in the world was too dangerous to pass up even the slightest chance to rectify the situation and move toward a more stable and lasting peace." And the Soviet leadership took full advantage of this chance.

In the course of the plenary sessions of the delegations and the numerous tete-a-tete conversations of M.S. Gorbachev and R. Reagan (their duration constituted, incidentally, a distinguishing feature of the Geneva meeting--the first such meeting in the past 6½ years) which took place 19-22 November the Soviet leader put before the American side an integral concept of relations between the USSR and the United States imbued with a spirit of high responsibility for the fate of all peoples of the world. The CPSU Central Committee general secretary formulated its essence as follows: "Granted all the difference in the approaches of the sides and evaluations... we saw that we have, it seems to me, that in common which could be a point of departure for an improvement in Soviet-American relations: this is an understanding of the fact that nuclear war is impermissible, that it must not be fought and that it can have no winners. This thought has been expressed repeatedly both on our side and the American side. The conclusion from this is that the central problem in relations between our countries at the current stage is that of security. We are emphatically in favor of agreements being reached providing for equal security for both countries."

Questions of war and peace were the core of the frank, sometimes blunt, discussions in Geneva. The Soviet side presented to the partner a comprehensive, convincing set of arguments against the "star wars" plans being developed by the United States. The warning sounded in Geneva as strongly as could be that the program for militarization of space would not simply lend impetus to the race in all kinds of arms but also put an end to any curbing of this race. Such a formulation of the question by no means signifies an artificial linkage of heterogenous problems and some "departure" by the Soviet Union from discussion of problems of nuclear disarmament. On the contrary, it is a recognition of the objective interconnection of the far-advanced process of the nuclear arms race on Earth and its planned transfer by the United States to space. If, on the

other hand, the door of weapons' egress into near-Earth space is tightly shut, a really radical reduction in nuclear arsenals will be possible. It was at this that the Soviet proposal concerning a 50-percent reduction in systems of nuclear weapons capable of reaching one another's territory was aimed. Differences in the sides' positions were ascertained in the course of discussion of this proposal in Geneva. However, as M.S. Gorbachev emphasized, "we are not dramatizing these differences and are prepared to seek a mutually acceptable solution."

Evaluating the results of the Soviet-American top-level meeting, the CPSU Central Committee Politburo noted at its session that it was a most important political event of international life. The meeting initiated a dialogue for the purpose of achieving changes for the better in Soviet-American relations and in the world in general.

The general understanding enshrined in the joint statement that nuclear war must never be unleashed and that it can have no winners and also the commitment of the USSR and the United States to construct their relations by proceeding from this indisputable truth and not to aspire to military superiority were the fundamentally important result of the meeting.

Importance for the progress of the negotiations on nuclear and space-based arms is attached to the adherence confirmed by both sides, now at the top level, to the tasks posed in the Soviet-American joint statement of 8 January 1985, namely, prevention of an arms race in space and its suspension on Earth, limitation of and reduction in nuclear arms and a strengthening of strategic stability.

With regard for the proposals recently submitted by the Soviet Union and the United States, the participants in the top-level meeting advocated the speediest progress, particularly in the spheres where there are points of contact, including the appropriate application of the principle of a 50-percent reduction in the sides' nuclear arms, and also the idea of an interim agreement on intermediate-range missiles in Europe. The joint statement emphasized that upon the formulation of these accords effective measures of monitoring compliance with the assumed commitments would be agreed.

An important new feature in the dialogue of the USSR and the United States on problems of a strengthening of strategic stability was the consent of the participants in the Geneva meeting to study at expert level the question of centers for lessening the nuclear danger, taking into consideration the development of the negotiations in Geneva and the questions discussed thereat.

At the same time it has to be acknowledged that there was no change in the United States' position on the cardinal problem of preventing an arms race in space. Immediately following the meeting the American leadership delivered the assertion that "SDI is unrelated to offensive arms... If our (American--B.V.) research is successful, it will bring considerably closer that safer, more stable world which we seek." Attempts by the hawks in the administration to foist on the American public their version of the results of the Geneva meeting also may be traced distinctly. We cannot fail to be alerted by statements that in the course of the negotiations the Soviet leadership was allegedly

"reconciled" to the SDI program and that realization of the "star wars" plans would not influence the course of negotiations on nuclear and space-based arms.

The Soviet Union, M.S. Gorbachev declared, addressing the USSR Supreme Soviet session, cannot agree with such evaluations: "Everything indicates precisely that the United States conceives of the antimissile space system by no means as a 'shield' but as part of a unified offensive complex." In this connection the CPSU Central Committee general secretary emphasized that the appearance of American space-based weapons would not go unanswered on the part of the USSR: to restore the balance it would be forced to enhance the efficiency, accuracy and yield of its arms in order to neutralize, if necessary, the electronic-space-based "star wars" machinery which is being created.

One further very important result of the meeting was the decision of the USSR and the United States to intensify bilateral discussions at expert level on all aspects of the problem of banning chemical weapons, including questions of supervision, and embark on discussion of the question concerning prevention of the proliferation of chemical weapons. The joint statement emphasized the significance which the sides attach to the Vienna negotiations on a mutual reduction in armed forces and armaments in Central Europe and expressed the readiness to promote the achievement of positive results thereat.

Attaching importance to the Stockholm Conference on Confidence-Building Measures, Security and Disarmament in Europe and noting the progress it had made, the sides declared in Geneva the intention to contribute to its speediest successful completion in conjunction with the other conferees. For this purpose the USSR and the United States confirmed the need for the adoption of a document which would incorporate both mutually acceptable confidence-building and security measures and the concretization and the imparting of efficacy to the principle of the nonuse of force.

Of exceptional importance in the plane of the development of bilateral relations was the agreement reached in Geneva to stimulate dialogue at various levels and put it on a regular basis. Together with meetings of the leaders of the two countries this provides for regular meetings of the USSR foreign minister and the U.S. secretary of state and the leaders of other ministries and departments.

The signing of the Soviet-American agreement on contacts and exchanges in the sphere of science, education and culture took place within the framework of the Geneva meeting. The negotiations which were being conducted in Moscow on a resumption of the air service between the two countries received a new boost. A result of the Geneva meeting was also the arrangement concerning the simultaneous opening of general consulates in New York and Kiev.

A blow to the plans of the organizers of the "scientific-technical blockade of the USSR" was the support expressed by the leaders of the two countries in Geneva for the utmost practical international cooperation in the sphere of controlled thermonuclear synthesis.

The meeting evoked the tremendous interest of the international community. Merely the fact that approximately 4,000 journalists came to Geneva to cover it testifies to this.

There was a meeting in Prague on 21 November 1985 of the top leaders of the Warsaw Pact states. M.S. Gorbachev informed its participants in detail of the progress and results of the Soviet-American top-level meeting in Geneva.

The leaders of the fraternal parties and countries expressed complete support for the constructive position set forth by M.S. Gorbachev at the negotiations with R. Reagan in the spirit of the joint line expressed in the Warsaw Pact declaration of 23 October 1985. They made a high evaluation of the exceptionally important contribution to the advancement of the jointly elaborated peace-loving positions of the socialist community countries performed by the CPSU Central Committee general secretary in the course of the Geneva meeting and noted unanimously that the direct, candid discussion in Geneva had been necessary and that its results were useful and afforded more favorable opportunities for an improvement in the international situation and a return to detente. It is important that these opportunities be converted into practical action by the two sides.

The results of the Geneva meeting were evaluated highly in the West also. Returning to the United States from Geneva, President R. Reagan made a stopover in Brussels, where he notified leaders of the NATO states of the results of the Soviet-American meeting. Granted all the differences in views on East-West relations, the participants in the session welcomed the accords reached in Geneva.

The results of Geneva were received with great approval in UN circles. The importance of this event and the hopes of the peoples of the world linked with it were emphasized in the speeches of representatives of many states at the UN General Assembly 40th Session. The Geneva meeting itself and the accords reached thereat became a most important factor determining the progress of the session and the nature of the decisions it adopted. The problem of preventing nuclear war and switching to real disarmament steps occupied a central place in the discussion which developed in the General Assembly First Committee (political questions and questions of security, including disarmament). Its outcome was the adoption of 66 draft resolutions, which as a whole--despite the sometimes differing evaluations of the causes of international tension and the lack of progress in the disarmament sphere--testify to the world community's growing recognition of the need for practical actions to remove the menacing danger looming over mankind.

These included draft resolutions on an immediate suspension and prohibition of nuclear weapons testing, renunciation of the use or threat of nuclear weapons, a ban on the development and production of new types of weapons of mass annihilation, a freezing of nuclear arsenals, on the banning of neutron weapons and a number of others. By an overwhelming majority the First Committee passed the draft resolution "Prevention of an Arms Race in Space". This document reflected the main ideas contained in the "star peace" concept put forward by the USSR--the proposal concerning international cooperation in the peaceful conquest of space under conditions of its nonmilitarization. It is indicative that only a small group of states--the United States and a number of its closest allies--voted against the draft.

4. In the Labyrinth of Economic and Political Contradictions

"The dialectic of development is such that the very means which capitalism is setting in motion for the purpose of strengthening its positions will inevitably lead to an exacerbation of all its deep-lying contradictions," the draft new version of the CPSU Program says. Present-day capitalist reality fully corroborates the soundness of this evaluation.

A principal "sore" point of the world capitalist economy remains the unprecedented growth of the deficit trade balance and the federal budget deficit of the United States, which is putting the West's entire currency-finance system in a fever. According to American press estimates, a change in the situation for the better is not to be expected in the immediate future. In addition, it is anticipated that in 1985 the excess of imports over exports in the United States will reach a new record level--\$150 billion.

Attempting if only to prevent a further growth of the balance of trade deficit, the United States in conjunction with Britain, France, the FRG and Japan adopted a decision on emergency measures to lower the dollar's exchange rate for the purpose of stimulating American exports.

As a result of coordinated action in selling off a large amount of dollars undertaken by the central banks of the leading capitalist states by mid-October even the exchange rate of the Japanese yen in relation to the American currency had risen 8.8 percent, the French franc 5.8 percent and the pound sterling 3.6 percent. But, despite this, in the final months of 1985 the dollar's exchange rate was, as before, artificially high. Analyzing the causes of this phenomenon, the American TIME magazine noted: "A significant and prolonged fall (in the dollar--B.V.) could require not only the protracted sale of large sums of dollars by the United States and its allies but also fundamental changes in their economic policy and, primarily, a far more tangible reduction in the U.S. budget deficit than is scheduled at present."

However, judging by the actions of the U.S. Administration, it by no means intends abandoning its budget policy, which has become a principal factor of the exacerbation of interimperialist contradictions. At the start of October President Reagan, referring to the "extraordinary" situation in the budget sphere, demanded that Congress raise the legal federal debt limit to \$2 trillion. As American commentators observed, not without sarcasm, "4 years ago Reagan was assailing those who, he believed, were to blame for the growth of the federal debt to \$1 trillion" (the reference is to the Carter administration--B.V.).

The main reason for the sharp increase in the United States' budget deficit and the federal debt is, as is known, the unprecedented increase in military spending and the buildup of military power. According to the data adduced in a report of Congressman L. Aspin, from fiscal year 1982 through 1985 the Pentagon was allocated 35 percent more money in real terms than in the 4 years of the Carter administration's term of office. Following sharp debate, Congress passed a bill authorizing the government to raise the debt ceiling to \$2 trillion.

While sparing no resources for military preparations, the ruling circles of the United States and a number of other imperialist states are displaying inordinate

"economy" as far as social spending is concerned. A "hardline" economic policy has been adopted here, the inevitable result of which is a further exacerbation of the social problems of bourgeois society.

For several months a sharp polemic has been under way between the government and the German Trade Unions Association on the question of the so-called "new poverty" syndrome. It is a question of a sharp deterioration in the situation of a populous stratum of the population. Basically those who have been deprived of the possibility of work. In the fall of 1985 there were 2.15 million officially registered unemployed in the FRG (8.7 percent of the economically active population), of whom approximately one-third received no benefits. Approximately 2 million West German citizens are living merely on "social assistance".

An ever increasing number of facts has appeared in the scientific literature and the press of Western countries recently testifying to the exacerbation of the problem of malnourishment and hunger in a developed part of the capitalist world. In some bourgeois states it has assumed national tragedy proportions. Among these we should name primarily the richest capitalist country- the United States. In November the voluntary organization Bread for Peace held a press conference at which data were adduced characterizing the seriousness of the problem of hunger in the country. According to estimates of the organization, by the end of 1985 the program for food aid for the elderly extended to no more than 25 percent of low-income elderly persons. As far as the special supplementary program of food aid for women, young children and adolescents is concerned, approximately only 30 percent of persons nationally with a right to this are availing themselves of it.

The course of events in the zone of developed capitalism has been determined for the foreseeable period by the impact of factors of a political nature also, which, together with economic factors, have influenced the character of inter-imperialist relations to a considerable extent. In this connection particular attention was attracted to the events connected with the development of the process of West European integration. The main one was the conference of Common Market countries at foreign minister level which was held 21-22 October in Luxembourg.

The main question discussed at the conference was reform of the community's institutions and the corresponding changes to the 1957 Treaty of Rome governing the creation of the EEC. As is known, this demand was put forward by France and the FRG at the meeting of heads of state and government of the community members in Milan. However, it ran into opposition on the part of a number of other participants in the meeting. To overcome the existing disagreements it was decided to convene a special intergovernmental conference (for more detail, on the Milan meeting see the preceding survey "Current Problems of World Politics").

The convening of the conference was preceded by several months of intensive preparatory work. But despite this, in the common opinion of the West European press, it concluded practically without result. Its participants were unable to overcome the profound disagreements which arose in the course of discussion of more than 40 different, at times mutually exclusive, proposals. As at the Milan

meeting, the representatives of Britain, Denmark and Greece, joined by Ireland, opposed the essential changes to the Treaty of Rome being insisted on by France, the FRG, Italy and the Benelux countries.

Just as fruitless was the discussion of another question on the conference's agenda--on the creation by 1992 of a uniform domestic market of the EEC. France had put forward the initiative of the creation of such a market. While supporting the idea itself, the conferees were unable to agree on the specific steps necessary for its realization.

The fruitless outcome of the Luxembourg conference pushed the main instigators of a reform of the community's institutions--France and the FRG--toward a closer coordination of action in order to achieve at least a partial realization of their plans at the next meeting of heads of state and government of the EEC countries in December. Questions of the elaboration of the two states' joint line in the course of this meeting occupied the main place at the negotiations of French President F. Mitterrand and FRG Chancellor H. Kohl conducted at the end of November in Bonn. According to the West European press, as a result of the negotiations the partners charted less ambitious, but, it is believed, more realistic goals. It is a question of preserving with the framework of reform of the institutions of the community each EEC member's right of veto, although limiting its use; broadening the powers of the European Parliament; and, finally, seeking the insertion of new provisions in the Treaty of Rome which should promote the coordination of the foreign policy of the Common Market participants and also a stimulation of their joint activity in such spheres as environmental protection and research in the sphere of progressive technology. Particular significance is attached to the latter sphere of cooperation.

Whence the interest evoked by the second intergovernmental conference, which was held at the start of November in Hannover (FRG) and which discussed the Eureka Project, which sets as its goal the creation of a so-called European Technology Community. We would recall in this connection that the first constituent conference on this project was held in mid-July 1985 in Paris. The ministers of foreign affairs and scientific research of 17 countries--the EEC members and also Spain, Portugal, Austria, Switzerland, Sweden, Norway and Finland--who approved the project in principle, participated. Following the constituent conference, its participants were joined by Turkey.

The Hannover conference was preceded by a series of preparatory meetings. A meeting of managers of leading industrial firms of the participants in the European Technology Community which is being created, which discussed the private sector's approach to Eureka, was held in London on 14 October. A meeting of representatives of the governments of the 18 states and also the European Communities Commission on 16-17 October in Bonn examined a draft declaration on the "principles of European technical cooperation" and its organizational framework.

Whereas at the first stage of the discussion--in July 1985--the sides had reached agreement quite easily on the need for a stimulation of scientific-technical cooperation for the purpose of strengthening West Europe's positions in the face of growing competition on the part of the United States and Japan, the next stage of the formation of Eureka--determination of the specific

priorities of cooperation and its financial base and organizational framework--was accompanied by discord, disagreements and an obvious conflict of the main partners' interests. As WIRTSCHAFTSWOCHE, the organ of FKG business circles, observed, "with the help of the Eureka program (West) Europeans hope to advance their technologically relatively backward industry. However, national interests, intraparty conflict and also the uncertainty of the prospects of West Europe's participation in SDI are impeding realization of Eureka."

The focus of the discussion which unfolded at the time of preparation for the Hannover conference in West Europe's business and political circles were such questions as determination of the scientific-technical and commercial priorities within the framework of the project, the correlation of public and private sources of its financing, the place of the European Technology Community structure which is taking shape in the overall context of integration processes in West European and, finally, the correlation between Eureka and the plans for West European business' participation in realization of the SDI.

As the initiator of Eureka, Paris naturally displayed the greatest interest in the success of the Hannover conference. The French side submitted for examination thereat 25 specific plans encompassing the following spheres: "Euromatic"--powerful computers, artificial intelligence, microelectronics; "Eurobot"--industrial robots and lasers; "Eurobio"--biotechnology and genetic engineering, agrarian industry; "Eurocom"--communications and control systems, optoelectronics; "Euromat"--artificial materials; "Eurorail"--high-speed railroads.

Against this background the proposals of France's main partners appeared highly modest. Thus the FRG submitted only three plans: the creation of a uniform computer system for West Europe's scientific establishments, research in the sphere of the spread of atmospheric pollutants on the continent and also the development of industrial lasers. Ultimately, of the approximately 300 proposed plans, it was possible to agree on only 10, which caused unconcealed disappointment in Paris.

The question of financing Eureka has proven no less difficult. Whereas the French Government allocated Fr1 billion from the budget for realization of the project and advocated that the state's share in the participation in various specific programs amount to 50 percent, the other partners were not ready to assume large financial commitments. Thus speaking on behalf of British business circles at an international conference in London on 14 October (P. Kerey), a director of the Morgan Grenfell Bank, emphasized that the basis of Britain's position was "the principle of the market orientation of the programs (within the Eureka framework--B.V.), in whose realization business and not government will have the decisive say." Ultimately London agreed to allocate Eureka 250 million pounds sterling.

A serious blow to the plans of the French initiators of Eureka was the actual retreat of the FRG Government on the eve of the Hannover conference from the promise it had given earlier to allocate from the budget DM1 billion for the financing of the project. "This clearly did not make a good impression on the conferees," the newspaper Koelner Stadt-Anzeiger observed, not without irony.

Outwardly Bonn's contradictory position in respect of the plans for the European Technology Community--a combination of declarations in support of Eureka with a manifest reluctance to consent to substantial financial outlays--is explained by a number of factors. In first place we should put the skeptical attitude toward Eureka's prospects of influential industrial and financial circles of West Germany. As Wolf von Amerongen, president of the FRG's Joint Chamber of Trade and Industry, declared, this project "is still too vague and unclear, particularly from the financial aspect." Another reason is connected with the fact that Bonn is manifestly reluctant to annoy its American partner by unduly active support for Eureka--a potential competitor of Reagan's SDI--under conditions where the framework and forms of the FRG's participation in the realization of "star wars" plans have yet to be determined. Finally, a significant part has been played by differences between H.-D. Genscher, an ardent supporter of Eureka, and H. Kohl, who is urging the priority of FRG participation in the American "antimissile defense" program.

The declaration approved at the conference proclaims the peaceful nature of the cooperation. "The plans within the Eureka framework," the document says, "serve civil purposes and are oriented toward the markets of the private and public sectors." The declaration defines the principles, purposes and main directions of the planned cooperation. At the initial stage it is a question of such spheres as information science and communications equipment, robotics, the creation of new materials, industrial technology, biotechnology, ocean exploration, lasers, environmental protection and transport. Realization of the Eureka Project is also intended to create the technical prerequisites for the solution of problems which go beyond the framework of individual states.

The declaration proclaims the principle of the exchange (but not uncompensated transfer) of technology between individual enterprises and research institutes. An essential prerequisite for the success of the Eureka Project, the conferees believe, is the creation of a "large, homogeneous and dynamic European economic zone which aspires to expand," the basis of which it is contemplated making the EEC domestic market and the EFTA sphere. Private initiative is considered a most important principle of realization of plans within the Eureka framework. As the declaration emphasizes, interested enterprises and research establishments will negotiate the specific projects and terms of their financing both from their own funds and with the aid of bank loans and, where necessary, specially allocated state resources,

The participants in the Hannover meeting also determined the main contours of Eureka's organizational structure. The coordinating authority will be a conference of ministers of the participants in the project and representatives of the European Communities Commission.

At the same time the conferees failed to settle the question of the nature and functions of the single working body for realization of Eureka--the secretariat. A number of countries advocated the transfer of its functions to the European Communities Commission. Others, primarily France, insisted on the creation of a working body independent of the EEC, fearing that the cumbersome machinery of this organization would serve as a restraining element and not a driving force. Ultimately a compromise was reached. It provides for the creation of a small secretariat subordinate to the conference of ministers. Its functions include:

the collection and dissemination of information, assistance to the enterprises and scientific establishments of the participants in the project in establishing contact with partners and ensuring continuity in accomplishment of the set goals.

Commenting on the results of the Hannover conference, some West European press organs call attention to the fact that although the declaration adopted by its participants proclaims the project's peaceful purposes, a number of statesmen and businessmen connected with its preparation and realization delivered on the eve of and following the conference highly ambiguous statements. Thus H. Riesenhuber, minister of research and technology of the FRG, declared at a seminar conducted in Bonn in November 1985 that the cooperation in the sphere of civil technology envisaged by the Eureka Project does not entirely preclude the possibility of the results of the research being used in the military sphere.

The concern of West Europe's democratic public is also caused by the fact that with the aid of Eureka monopoly circles of the leading West European states are hoping to strengthen their positions in the economy of the region and squeeze weaker competitors out of the new, promising sectors, which is being impeded as yet to a considerable extent by the customs and other barriers which exist in, for example, the EFTA countries. Manifestly expressing the expansionist aspirations of the giants of West European business, the British weekly THE ECONOMIST wrote on the eve of the opening of the Hannover conference: "...European firms producing the latest technology products will not be able to catch up with America and Japan in the sphere of advanced technology until competition has squeezed out the weak. Eureka has a chance of success only if it is used for this purpose."

The complex socioeconomic and foreign policy problems being experienced by the capitalist countries are causing political instability and government crises frequently leading to the resignation of governments and early parliamentary elections, as had been the case in Portugal and Belgium.

The main result of the elections in Portugal was the crushing defeat of the leading party of the governing coalition--the Socialist Party--which lost 16 percent of the vote compared with the preceding elections. As the country's democratic press, commenting on the results of the elections, observed, such an outcome was primarily a consequence of the dissatisfaction of broad strata of the population with the antiworker policy of the socialists, which had led to an unprecedented recession in the economy and a sharp deterioration in the position of the working people.

In the past 2 years the purchasing power of wages has declined 15 percent, and the country has 500,000 unemployed (among whom, 200,000 young people seeking work for the first time and with no chance of finding it in the immediate future). In addition, dozens of enterprises, ruined by the high interest rates (they have reached 30 percent) are failing to pay either taxes or social dues and have even suspended the payment of wages to their workmen: in the fall 150,000 working people failed to receive any compensation for their labor for several months.

The big success at the elections was scored by the Party of Democratic Renewal (PRD) which was recently formed by supporters of Portuguese President R. Eanes and which, garnering approximately 18 percent of the vote, has become the country's third most influential political force. The PRD made skillful use in its election campaign both of the dissatisfaction of broad strata of the population with the grim social consequences of the "strict austerity" policy pursued by the M. Soares government and the great popularity of the president--a leader of the "revolution of the carnations".

Evaluating the results of the special parliamentary elections, A. Cunhal, general secretary of the Portuguese CP, called them "very positive for Portuguese democracy" inasmuch as they signify a victory for the democratic forces and the heavy defeat of the right. He emphasized that despite a certain loss of votes--2 percent--by the electoral bloc of the United Peoples Alliance, which includes the Portuguese CP, the Portuguese Democratic Movement and the Greens Party, the results of the voting demonstrated not only the electorate's mass support for the coalition of forces of the left but also an expansion of the geographical sphere of its influence in the country.

The consultations between the leaders of a number of political parties on the formation of a government coalition which were held following the elections ended fruitlessly, and a new government was formed from representatives solely of the Social Democratic Party (PSD), which had obtained the largest number of votes. It is headed by A. Silva. In the opinion of the Portuguese press, the new government's position is extremely shaky inasmuch as it has a narrow electoral and parliamentary base (the PSD obtained less than 30 percent of the vote at the elections). The Portuguese CP, the Portuguese Democratic Movement and also the former coalition partner--the socialists--have already declared their opposition to the cabinet.

The need for early parliamentary elections in Belgium was brought about by the crisis which had arisen in the ranks of the ruling center-right coalition. What caused it were the disagreements over the allocation of resources for the development of industry and education between the two main regions of the country: Wallonia and Flanders. The country's difficult economic situation had imparted particular keenness to this question. Although the "strict austerity" policy which had been pursued by the center-right government had produced certain results (the level of inflation had declined, and the competitiveness of Belgian commodities had increased somewhat), the working people had had to pay for this with a decline in the living standard. Prices of basic necessities had been increased and public spending on social needs had been cut, on the social insurance system in particular. For the first time in the country's history the government had agreed to a direct reduction in the wages of certain groups of the working class.

All this could not have failed to have given rise to the growing discontent of broad strata of the working people. Strong mass protest demonstrations and strikes were their response. "The last 4 years," the trade union newspaper SINDICA wrote, "have been perhaps the most serious in terms of the intensity of the class battles since the war".

The "missile decision" adopted by the government in March 1985 remained another essential factor of sociopolitical tension. The majority of the country's population and part of the leadership of the leading bourgeois parties opposed the deployment of American cruise missiles at the Florennes base; the anti-missile movement continued the struggle even after the deployment of "Tomahawks" on the country's territory had begun.

However, the lack of unity of the forces of the left enabled the parties of the ruling coalition to preserve their positions as a result of the elections. The center-right bloc now has 115 seats (two more than previously) in the lower house of parliament--the Chamber of Representatives. As public opinion polls had predicted, both socialist parties (Francophone and Flemish) improved their position, and the parties of defenders of the environment managed an increase in their vote. A new Belgian Government was formed by W. Martens on the basis of the previous one: it represents the former coalition of Christian democratic and liberal parties of Wallonia and Flanders.

Whereas in Portugal and Belgium domestic policy contradictions were at the basis of the government crisis, in Italy it was caused by the foreign policy factor, which was reason for the newspaper LE MONDE to call it an "unusual crisis". The immediate cause was the departure from the five-party government of the socialist B. Craxi of three ministers representing the Republican Party, which is considered pro-American. This step was taken as a sign of protest against the prime minister's "incorrect," in the opinion of the leaders of the Republicans, actions in the dramatic affair concerning the capture of the Italian liner "Achille Lauro". Rome refused to comply with Washington's ultimatum that it hand over to the United States the leaders of the group which had carried out the capture of the Italian liner. When the U.S. Air Force, having perpetrated an act of international piracy, intercepted the Egyptian aircraft with the terrorists who had been let go by the Italian authorities on board and forced it to land at a military base in Sicily, the government and the public of the country interpreted this as flagrant disregard for Italian sovereignty on the part of the "senior partner".

The actions of the Craxi government gave rise to unconcealed irritation across the Atlantic. According to the NEW YORK TIMES, the White House had decided immediately that "the Italians had to be somehow punished for their obduracy". Manifestly on Washington's instructions, the leaders of the Republican Party provoked a government crisis.

However, on this occasion U.S. ruling circles manifestly overestimated the possibilities of their influence on Italy's political life. Removal from the government of figures not to Washington's liking was unsuccessful, and the crisis was soon settled. In the unanimous opinion of the Italian press, B. Craxi's prestige had grown considerably as a result of these events, whereas the actions of G. Spadolini, political secretary of the Republican Party, one of the principal characters in the provoking of the government crisis, had, on the contrary, lowered his.

A major event of the public-political life of many countries was the Disarmament Action Week conducted on the initiative of the United Nations from 21 through 28 October. The mass nature of the protests of the peace supporters, the nature of

the demands which were put forward and the repercussions of the demonstrations confirmed as obviously as could be the justice of the conclusion contained in the draft new version of the CPSU Program that "antiwar movements of the broadest popular masses on all continents... have become a long-term and influential factor of public life". Here are just a few facts attesting the scale of the action of the antiwar forces:

Japan: approximately 700,000 persons took part in meetings and demonstrations of protest against the country's militarization and increasingly profound involvement in the Pentagon's nuclear strategy. Some 150,000 persons attended the week's central meeting in Tokyo's Ueno Park alone;

France: more than 1.8 million persons signed an appeal demanding a halt to the arms race on Earth and the prevention thereof in space;

Denmark: on 24 October approximately 1 million Danes, responding to an appeal of the country's Central Trade Union Association, conducted a "peace strike," expressing their will to detente and disarmament and the creation of a nuclear-free zone in North Europe;

Canada: antiwar demonstrations under the slogans "No to Star Wars," "United States--Threat to Peace!" and "Canadians for a Nuclear-Free Zone!" were held in Toronto, Montreal, St Johns, Vancouver, Thunder Bay and other of the country's cities;

Finland: approximately 220,000 persons took part in the week's measures.

The epicenter of the antiwar movement and the main arena of the confrontation of the broad people's masses with the militarist aspirations of NATO was, last fall, Holland, where on 1 November the government had to decide on the question of the deployment of 48 American cruise missiles at the Wunsrecht Base. As is known, on 6 June 1984 W. (sic) Lubbers' center-right cabinet had declared that a final decision on deployment of the missiles would be made in November 1985 with regard for the number of SS-20 missiles deployed in the USSR, and, furthermore, if this number did not exceed the June 1984 level, the American missiles would not appear in Holland.

The Soviet statement issued at the most authoritative level at the start of October that the number of SS-20 missiles on duty alert in the European zone had been reduced to the number which had existed in June 1984 put the supporters of the "missile decision" in Holland in a very difficult position. As J. den Uyl, leader of the Labor Party, declared, "an entirely new situation has arisen which the government cannot fail to take into consideration." The news of the Soviet Union's unilateral step caused a powerful new upsurge of the peace supporters movement. By the end of October more than 3.7 million Dutch had signed an appeal for the government to refrain from adopting the fatal decision. Nonetheless, on 1 November, following lengthy debate, the government of the Netherlands adopted the decision to consent to the deployment of American cruise missiles in the country.

Sensing the shakiness of its positions in parliament, the government sought to ensure that the agreement with the United States be seen in parliament not as a

treaty of decisive significance for the country's national interests and therefore requiring two-thirds majority approval but as an ordinary exchange of memoranda which could be carried by a simple majority. Nonetheless, even given these conditions, the government decision was approved in parliament only by a negligible majority, which was secured for the Lubbers' cabinet by the members of the four small parties of the right. It is indicative that even a number of members of parliament from the ruling (KhNP) (sic) voted against the "missile decision".

As Labor Party Leader J. den Uyl declared, the government had made an irreparable historic mistake. It had failed to avail itself of the real chance to make an appreciable contribution to an improvement in the international situation and a relaxation of tension in Europe. Representatives of the opposition parties and the antiwar movement declared that the government's "missile step" would not lead to a suspension of the struggle against the appearance of first-strike weapons on Dutch territory.

5. Imperialism--Culprit of Regional Conflicts

The situation in various parts of the world remained complex, at times explosive, in the fall of 1985. Despite all the differences in the specific situation, the main reason for the continued tension here is the policy of imperialism, which "is unwilling to heed the political realities of the modern world. Ignoring the will of sovereign peoples, it is endeavoring to deprive them of the right to choose the development path themselves and is threatening their security," the draft new version of the CPSU Program says.

A graphic example of imperialist circles' unconcealed interference in the affairs of other states are the United States' actions in respect of revolutionary Nicaragua. As a result of the direct and indirect pressure of Washington and its satellites on this country the atmosphere in the Central American region has been exacerbated considerably in recent months.

The distribution among Contra groupings of \$27 million allocated by the U.S. Congress allegedly for "humanitarian" purposes, but in fact used to step up terrorist operations against the revolutionary regime in Nicaragua began in October. Not confining itself to financing and equipping the counterrevolutionary rabble, Washington, as is clear from the statements of officials, particularly Assistant Secretary of State E. Abrams, intends increasing pressure on Nicaraguan various directions, including a suspension of any assistance to this country on the part of international finance organizations.

The policy of state terrorism being pursued by Washington in respect of Nicaragua is doing tremendous material damage to the republic and leading to numerous casualties among the civilian population. As Nicaraguan President D. Ortega reported, speaking at the UN General Assembly anniversary session, as a result of the bandit operations of CIA mercenaries 11,000 people have been killed, 5,000 have been wounded and 250,000 have found themselves in the position of displaced persons in the period 1980-1985. And this given a total population of the country of 3.5 million!

In addition, the undeclared war against the republic has led to the destruction of 321 schools and 50 health care centers. The Contras have destroyed a large number of peasant cooperatives and wiped whole inhabited localities from the face of the Earth. Under U.S. pressure a number of international finance organizations (like the World Bank, for example) has stopped loans to Nicaragua of the order of \$423 million. Thus, D. Ortega declared, the sum total of the damage caused the republic by the direct and indirect aggression of American imperialism is in excess of \$1.5 billion.

In connection with the expansion of the scale of the United States' undeclared war and the stimulation of the subversive activity of internal reaction the Nicaraguan Government found itself forced to adopt decisive measures to defend the gains of the revolution. The imposition of a state of emergency in the country was announced on 16 October. A number of civil and political rights and guarantees is suspended by government decree for a period of 1 year. This measure is designed, as D. Ortega declared, to put an end to the criminal "attempts of the CIA to use ultraright, leftist and religious elements within the country to destabilize the people's power." He emphasized here that the measures adopted by the government do not signify an abandonment of the system of political pluralism, the mixed economy and the policy of nonalignment. On the contrary, the republic has been forced to defend them against American aggression with the aid of these emergency measures.

The Nicaraguan Government's decisive actions struck a serious blow at the plans of the United States and its agents by way of the coordinated actions of foreign and internal reaction to destabilize the situation in the country and overthrow the people's regime. It was not fortuitous that these actions evoked Washington's anger and interference. A stream of slander and threats was rained down on the Sandinista leadership. Spurring tension in the region, the United States, at the hands of its stooges, blocked yet again the adoption by the region's countries of the "Instrument of Peace and Cooperation in Central America" which had already been prepared by the Contadora group. On the initiative of a number of pro-American participants in the Contadora group changes were made to this draft which made the document unacceptable to Nicaragua. As the republic government declared, the provisions of the instrument authorizing foreign military maneuvers in the region and simultaneously imposing restrictions on the strengthening of the defense capability of the Central American countries threaten "to disarm Nicaragua in the face of the United States' publicly declared intention to do away with the Nicaraguan revolution." In order to assume the commitments pertaining to the control of and reduction in arms and military personnel, as the amendments to the draft instrument of peace stipulate, Nicaragua has to obtain minimum security guarantees, the government statement says. It is necessary first of all that all manifestations of U.S. aggression against the country, including support for the mercenary forces, cease.

At the same time the Sandinista leadership again confirmed its readiness to continue the search for a peaceful settlement of the conflict in the region and also a normalization of relations with the United States.

The final months of 1985 again showed that the Near East remains a most dangerous hotbed of international tension. Its main source is the same as in

other "flash points" of the planet--the incessant interference of imperialism and its agents in the affairs of the peoples of the region. This is manifested most graphically in Lebanon--a country literally torn apart by Israeli aggression and a 10-year civil war. As a result this state, even recently one of the wealthiest and most stable of the Near East, has found itself on the verge of a national catastrophe.

The damage done to the country's economy cannot be precisely calculated. According to the estimates of Western specialists, restoration will require from \$20 billion to \$30 billion. The authority of the central government has weakened sharply. Many areas of Lebanon and even the capital are controlled by armed formations of opposed religious-political groupings. Corruption and smuggling have assumed unprecedented proportions.

Whence the hopes and expectations elicited in the country by the attempts, given Syrian mediation, of a number of political parties and groupings to achieve a settlement of the crisis. Within the framework of the so-called "tripartite commission" negotiations were conducted in October in Damascus of representatives of the Progressive Socialist Party, the rightwing-Christian "Lebanese Forces" and the Shi'ite Amal movement. The result of the negotiations was a joint national reconciliation scheme.

The scheme emphasizes that Lebanon is a sovereign, free, independent and united Arab state. It rejects the plans being hatched by certain groupings of the right for the country's dismemberment into individual "mini-states" and also any "security measures" imposed on the Lebanese by Tel Aviv.

The scheme provides for serious changes in the country's political arrangement. One such is the creation of a second chamber of parliament--a senate. Representation in the parliament would be extended by way of an increase in the number of members, whereby the seats therein would be allocated equally between Muslims and Christians, while the Maronite, Sunni and Shi'a communities would have equal representation. The religious principle of appointment to public office would be abandoned.

The scheme proposes a specific plan for a halt to the fratricidal war in the country. It provides for a renunciation of armed operations between hostile groupings (Syria undertakes to render the necessary political and military assistance here) and a strengthening of the Security Commission and the extension of its authority to all of Lebanese territory. The document emphasizes the special character which relations with Syria are to have and the need for their strengthening in every possible way.

The reaction of Lebanon's other political forces to the meeting in Damascus and the accords reached there is contradictory. Whereas the country's progressive forces declared support for the "tripartite commission's" scheme, in the rightwing-Christian camp it has given rise to bitter disputes, which have led to a deepening of the split which had been discerned earlier between the "Lebanese Forces"--a participant in the Damascus negotiations--and the Kataib Party. Endeavoring to prevent implementation of the measures provided for by the scheme and frustrate the convening of a national reconciliation conference proposed by the Progressive Socialist Party, the "Lebanese Forces" and the Shi'ite Amal

movement, extremist groupings again provoked armed clashes in Beirut and a number of other parts of Lebanon. As repeatedly in the past also, the fragile agreement found itself in jeopardy.

It is no secret that behind the actions of internal reaction in Lebanon are outside forces, primarily the United States and its "strategic ally"--Israel--which are interested in preserving tension in this country and the Near East region as a whole. The calculation here is simple: the conflicts and contradictions weaken the national liberation movement of the peoples of the Near East and their countering of the policy of state terrorism on the part of Washington and Tel Aviv.

In the past months the world witnessed new, increasingly brazen manifestations of this policy. Among these were the bandit raid by Israeli aircraft on the PLO Headquarters in a suburb of the capital of Tunisia, as a result of which more than 150 persons were killed or injured; the barbaric bombing of the Lebanese community of Bar Elias in the Bekaa Valley--the 11th air raid on Lebanon in 1985; the new reprisals of the Zionist military against the peaceful population on the occupied West Bank of the Jordan and in South Lebanon.

Nor is Washington lagging behind its ally. It is sufficient to mention the action of the U.S. Air Force in October--the interception and forced landing on Sicily of the Egyptian passenger airliner--which was evaluated worldwide as an act of international banditry. Reports appeared in the American press concerning the direct participation of U.S. special services in attempts on the life of M. Qadhafi, leader of the Libyan revolution.

Behind all these actions there appears a definite design: not only politically but also physically eliminating those impeding realization of the American-Israeli plans for a "settlement" in the Near East and intimidating the hesitant and pushing them onto the path of separate deals with the Israeli aggressor.

At the same time Washington and Tel Aviv evidently understand that success cannot be achieved by power pressure and the open imposition on the Arabs of a new Camp David alone. Even the leaders of the Arab countries which even recently were displaying an inclination toward a consent to separate deals are now declaring the need for the convening of an international conference for a settlement of the Near East conflict with the participation of all the states concerned, including the USSR.

Under these conditions American-Israeli diplomacy, to judge by reports of Western press agencies, intends embarking on another maneuver, whose purpose is to substitute for the convening of a representative international conference a session of some "international committee for the establishment of peace in the Near East". In the course of the session of this committee, Israeli Prime Minister S. Peres explained, there could be a meeting of the Israeli and Jordanian-Palestinian delegations.

The maneuvers of the supporters of separate deals are encountering the condemnation and emphatic opposition of progressive forces in the Arab world and their friends and allies, primarily the socialist states. As emphasized in the Soviet-Libyan joint communique adopted at the end of the visit to Moscow (10-14

October) of Col M. Qadhafi, leader of the Libyan revolution, both sides firmly believe that a just and lasting peace in the Near East may be achieved only on the basis of the complete and unconditional withdrawal of Israeli forces from all occupied Arab territory and the guarantee in practice of the inalienable rights of the Arab people of Palestine.

City neighborhoods enveloped in flames, street barricades, Africans' mass protests and their cruel suppression by the police and army units--such has been the fall of 1985 for the majority of areas of South Africa. The result of the bloody repression is hundreds dead and thousands arrested and thrown into jail.

The explosion of the anger of the country's dark-skinned population is by no means the result of "excessive police cruelty" in respect of the fighters against apartheid, as some bourgeois press organs attempt to portray this. The socio-racial tension, which has merged with the swelling stream of the mass demonstrations (spontaneous, in the main) of South Africa's indigenous inhabitants, is a natural consequence of the cruelest exploitation of the black majority of the population by the local and transnational monopolies. The wages received by African workers are often not enough even to feed the family. According to data of the Institute of Race Relations (South Africa), 3 million children of black South Africans are suffering from malnourishment, although food production in the country exceeds per capita requirements.

The explosive situation in Southern Africa is giving rise to the world community's serious disquiet and concern. It is not surprising that this question was the main item on the agenda of the 25th conference of heads of state and government of the Commonwealth in October in Nassau (Bahamas). A number of developing countries represented at the conference demanded that its participants emphatically condemn the racist regime and coordinate the economic and other sanctions of Commonwealth members in respect of Pretoria. At the insistence of the leaders of India, Zimbabwe, Tanzania and certain other countries propositions calling for an end to the apartheid regime and for "immediate practical measures" for this purpose were incorporated in the text of the document adopted at the conference.

However, when it came to a discussion of the question of the nature and compulsory character of these measures, the British representatives did everything possible to deprive them of effectiveness and divert the threat of sanctions looming over Pretoria. Commenting on the results of the conference, the newspaper TIMES OF INDIA wrote: "The fact that the prime minister of Great Britain is so firmly opposed to world public opinion and refusing to consent if only to the steps to which the U.S. Administration has consented, having adopted at least partial sanctions against South Africa, emphasizes how great the Western world's strategic and economic stakes in this country are. Nor also can we call a surprise or coincidence the 'warning' given by the U.S. State Department spokesman to the African frontline states that they should not turn for assistance to Washington if the sanctions against South Africa hit their economies."

The complete opposite of the West's hypocritical policy on the question of the liquidation of the shameful system of apartheid is the precise and constructive policy bearing pursued by the socialist countries and progressive African

states. Further confirmation of this were the results of the visit to Moscow by M.H. Mariam, general secretary of the Ethiopian Workers Party Central Committee and chairman of the Ethiopian Provisional Military Administrative Council. In the course of the negotiations the parties expressed profound concern at the explosive situation in the south of the continent and advocated decisive and effective measures of influence on South Africa for the purpose of an immediate halt to the racist regime's repression of the country's indigenous population struggling for its rights and the acts of aggression and plunder in respect of neighboring states and the fulfillment of the UN resolution on the granting of independence to illegally occupied Namibia.

The final months of the past year have been a period of important events for Afghanistan. The theses of the PDPA and republic government on the popular-democratic nature of the revolution and its immediate tasks at the present stage of development were promulgated on 9 November. Explaining the significance of this document, B. Karmal, general secretary of the PDPA Central Committee, declared in his speech at the party Central Committee 16th Plenum, which was held the same month: "Any true revolution lives and develops successfully only when it can defend itself and is supported by a majority of the people--the working class and peasantry and also other social strata of the population. But what we have done for their transition to the side of people's power has as yet been manifestly insufficient. This is the fundamental problem on whose solution it is necessary that all forces of the PDPA, the state and public organizations and all national-patriotic forces embark immediately."

The social composition of the country's population indicates the difficulty of the main task currently confronting the popular-democratic power. Its young working class numbers 420,000, the peasantry 3.6 million, craftsmen approximately 300,000, tradesmen and businessmen 382,000 and the intelligentsia 190,000. The clergy (approximately 250,000) constitutes a special category.

Realizing the goals set in the PDPA theses, the country's leadership is elaborating a number of specific measures aimed at a broadening of the social base of the revolution centrally and locally. In particular, cooption to the Revolutionary Council, the Council of Ministers and the ministries and departments of the worthiest representatives of the tribes and nationalities, business, commercial and industrial circles, the clergy, the intelligentsia, craftsmen and the middle landowners is envisaged.

As B. Karmal emphasized, the National Fatherland Front and the public organizations have a special role in the struggle for the normalization of the situation in the country and the enlistment of the masses on the side of the revolution.

The PDPA Central Committee and the republic government are outlining the implementation of a set of socioeconomic measures designed to cater for the vital interests of the broadest strata of the population. These include an acceleration of the pace of the land-water reform and enlistment of the country's private capital in the development of agriculture and certain sectors of industry.

The events of the past fall strikingly demonstrated once again the significance for the fate of mankind of the international policy of the Soviet Union and the entire socialist community. The fundamental features of the foreign policy of the new world with its genuine democratism and profound humanism are manifested in particular relief precisely at dramatic moments--and this has been an exceptionally complex and tense period.

The policy being pursued by the Soviet Union in the international arena is a policy of the entire Soviet people--the creator-people. Socialism as a social system has no need of force and compulsion to prove its superiority. It relies not on weapons but on the attraction of the real example of how social, economic and political problems are being tackled in practice in the interests of the broad working masses.

It is on the confidence in the soundness of its choice and historical optimism that the Leninist policy of the peaceful coexistence of states with different social systems is based. The CPSU understands peaceful coexistence here not simply as the absence of war but as an international order where not military force but good-neighborliness and extensive mutually profitable cooperation in various spheres, primarily in the solution of the problems troubling all mankind, predominate. It is for this reason that the specific initiatives of the USSR and its allies, whose purpose is halting the disastrous arms race on Earth, preventing its transition to a new, space, dimension, banning and ultimately liquidating nuclear weapons and other menacing means of people's extermination and radically improving the international atmosphere, are enjoying such a warm positive response all over the world.

Recent months have shown the insolvency of the variety of gloomy pessimistic forecasts predicting mankind's "inevitable" slide into the nuclear abyss. Our country's decisive actions in the international arena and the active dialogue which the USSR has struck up with the United States and other capitalist states have shown convincingly the high sense of responsibility for the development of events possessed by the Soviet leadership. This responsible approach combined with a realistic assessment of the situation, swift reaction to changes therein and a sincere readiness for negotiations and practical accords based on intelligent compromise and respect for the principle of equality and equal security--this is what has characterized the Soviet Union's most important foreign policy steps in the recent period, primarily its top-level contacts.

All this has made it possible to halt to a considerable extent a further dangerous spurring of tension and shown graphically who supports peace on Earth and in space and who is concealing with arguments about the "benefits of star wars" his pretensions to world domination. The new Soviet peace offensive, as foreign observers are calling it, is contributing to the isolation of the most aggressive, militarist and adventurist forces of imperialism and helping the peoples defending their freedom and independence and right to the choice of independent path.

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FALIN COMMENTS ON SDI, 'CHANGEABLE' U.S. POLICY

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNNYE OTNOSHENIYA in Russian No 1, January 1986 (signed to press 13 Dec 85) pp 96-103

[Article by V. Falin: "At the Threshold of the 21st Century"]

[Text] THE CPSU PROCEEDS FROM THE ASSUMPTION THAT, HOWEVER GREAT THE THREAT POSED BY THE AGGRESSIVE CIRCLES OF IMPERIALISM TO PEACE, WORLD WAR IS NOT FATALLY INEVITABLE. IT IS POSSIBLE TO AVERT WAR AND TO SAVE MANKIND FROM CATASTROPHE. THIS IS THE HISTORIC MISSION OF SOCIALISM, OF ALL THE PROGRESSIVE AND PEACE-LOVING FORCES OF THE WORLD. [Uppercase passage published in italics] (Draft new edition of the CPSU Program)

Fifteen years are now left before the next change of the millennia. Before we cross this boundary of time, another 2 billion new inhabitants of the earth will be born and yet another generation will have matured. What kind of relay race will that generation receive from those who are shaping the present image of the planet? What awaits the states, the peoples, and mankind in the foreseeable and the distant future? With what will the irrepressible creative genius of man enrich them and of what will it deprive them?

Contending among themselves, the fantasists come to resemble political oracles and the politicians and sociologists come to resemble fantasists. The "great" bourgeois press is filled with predictions for every taste. Television screens flicker at their multimillion audience day after day. Contests for a world exhibition timed to be held in 2000 have been announced. The British are getting set to hold this exhibition. Perhaps to prove that, contrary to popular belief, the children of Albion are not pessimists.

The world of the 21st century is undoubtedly the major topic of all negotiations conducted today by leaders of states and the background of all international conferences regardless of their formal mandates. What will this world be like? What joys will it enjoy and with what sorrows will it burn? When will man, penetrating the hidden secrets of matter ever more deeply, comprehend the elementary composition of parts in the whole?

It is merely an appearance that it is not difficult to compose a mosaic from individual stones, the colorful map of the world from individual national colors. And the time comes when one's own interests must be joined with the interests of others and the simplest equalization turns into a nearly insolvable task. Here

is an example. It is impossible to count how many times oil has been a direct or indirect cause of armed conflict. And now, too, it is at the top of the American list of "casus belli". But it is enough to master the technology of nuclear synthesis, of conversion of hydrogen into helium and the thirst for energy will be quenched forever.

And the abundance of energy will resolve many of the problems that hold back the development of productive forces and the growth of prosperity of all peoples without exception. If the states joined their scientific and technological potentials, as the Soviet Union proposes, the road to the creation of a constellation of man-made suns, mild of manner and responsive of heart, would be shortened by years, by decades.

And why have things stopped? It turns out that, before the Soviet tritium and the American deuterium can be combined, it will be necessary to combine possibility with reality. This is accompanied by no smaller difficulties because Washington's attitudes are changeable to the point of uncontrollability.

The coming of the "golden age" had been promised to people as early as on the eve of the present century. Then, too, exhibitions were held and fireworks were set off. But instead of a "golden age" the peoples have been given two world wars and a multitude of local and regional wars in which tens of millions of peoples have perished.

Who is guilty of this "fraud?"

Imperialism came on the scene. It appeared not to discuss human freedoms and rights but to plunder, rob, and rape. Jargon and labels were different but the main characteristics were greed and unscrupulousness in the choice of means--U.S. imperialism was in dispute with British, German, or any other imperialism and staked the claims to "economic domination of the world, to control over peoples"... with the sanction of the "supreme."

Control, domination, hegemony also means subordination of others similar to oneself and claims to the most lucrative and warm places. But if they showed no mercy toward their own half-brothers, could they have welcomed the appearance of the world's first socialist state? When they had not yet had time to let the oligarchy go on the rampage to its heart's content and were already asked to make room? No, they are not of those socially aware ones who would voluntarily yield the road to the progressive and invest the concept of justice with the highest social meaning.

They welcomed us with bayonets. The answer to Lenin's Peace Decree were "crusades," "blockades," "sanitary cordons." If the Land of the Soviets held out and protected its national and class choice, it was not because anyone might have perhaps spared us. They did not spare the Soviet Union in World War II or in the "cold" war that was in its way also a world war. But socialism's base is too broad for anyone to be able to crush it and reject it. Of course, the fact that we know how to protect ourselves and possess the necessary defense force has helped and continues to help us in this task.

We ask ourselves: What would our planet be like at the end of the century if, in their time, the Western powers displayed less arrogance and a greater amount of good sense and if they responded to the appeals from Moscow? We will not wink at the fact that at the Genoa conference the representatives of imperialism overlooked the significance of the program of international economic cooperation and general reduction of armaments proposed by the Soviet delegation. Or, more precisely, they mistrusted the Bolsheviks to such an extent that they did not find it necessary to try to grasp the essence of our initiatives. However, the respectable "democracies," not to mention the repressive military regimes, also did not spoil with attention the proposals of the "immature" United States.

In 1933, F. Roosevelt, considering the arms race to be one of the causes of the "great depression," appealed to the participants of the Geneva conference on the reduction and limitation of arms to reach an accord on a significant reduction of military potential. The Soviet Union supported the United States. France expressed its objections. The United States repeated its appeal in 1934. The USSR again responded positively. This time Britain opposed the reduction of arms. In the situation that had developed it was important to break the trend by awaking the collective good will in the face of the gathering storm. However, in the summer of 1934 Washington, too, together with London, rejected the idea of general security and turned down the Soviet proposal (supported by France and a number of other states) to transform the Geneva disarmament conference into a permanently acting organ.

The war confirmed Roosevelt in his view that the arms race is incompatible with good neighborliness. Later he was to return to this idea more than once in negotiations with the Soviet leaders. Just before his death the president wrote the lines about the urgent need to learn to "live together and to work together on this one and same planet under conditions of peace." These are the words of his legacy which his successors condemned to desecration. The down fall of Fascism and militarism represented a sentence for all aggressions and all those who reach for world domination and for the policy of violence as such. For the second time after the October Revolution the international community was accorded a real opportunity to humanize the climate on earth. Having shouldered the main burden of the war, the Soviet Union needed peace as it needed air. The American intelligence service of various departmental subordination agreed that the USSR neither intended nor was able to threaten the United States. The same conclusions were reached--independently from the Americans--by the joint intelligence subcommittee of the British Committee of the Chiefs of Staffs. It only remained for others, too, to share our aspiration to peace.

But these others first and foremost, the United States concluded that the earth's globe, molten and heated to incandescence by the flames of the war, could easily be reforged into a mold that would suit imperialism. H. Truman and his administration set forth the concepts not of general peace but of "peace the American way," not of freedoms as they are naturally understood but of freedoms in Washington's narrow interpretation, and not of a stable world without military confrontations but of a world bristling with arms and torn asunder along the boundaries of the blocs. "It was due to the set strategy and not to any necessity," H. Gregg writes in his examination of Washington's postwar policy, "that the atomic bomb was assigned the main role in the United States' military planning in the summer of 1946. The bomb's growing importance in planning extended beyond the framework of military thinking."

What is true is true. The "strategy set by imperialism" dictated the course of the United States and all of its fellow travelers. The plans for employing the weapons that "extend beyond the framework of military thinking" predetermined Washington's position on any aspects of arms control and disarmament. "Our theory on determination of labor organization by means of production," K. Marx noted in his letter to F. Engels, "has not been confirmed anywhere more strikingly than in the man-killing industry." H. Gregg sees the "set strategy" as a "culmination of a new and hard logic that led to the terrorist bombing in World War II which had been initiated by the Axis powers but then advanced to the level of science by the (Western--V.F.) allies." A "science" that, like General Vandenberg, proclaimed atomic blitzkrieg as being "moral" if it saves American lives. A "science" calculating, for instance, that all major USSR cities must be destroyed and 60 to 70 million Soviet people killed in the first half hour of the war in order to "crush the Soviet will for resistance."

Militarism does not represent a reaction to the socialist revolution because it had appeared in the world long before the latter. It is a product of the internal combustion of the capitalist system at the highest stage of its development. Just as the military-industrial complex in the United States is not a new formation introduced from outside by a specific variety of dictatorship of the monopolistic capital. If cancer is to be considered a form of anti-life, then militarism must be marked as an asocial excrescence that is hostile to any healthy society, a phenomenon that gives birth to such perversities as the "single integrated operating plans" that take more than 40,000 targets in the territory of the USSR and other states in the United States' nuclear sights, or as the effective field manual of the American Army (FM-100 S) that is oriented to striking the probable enemy with the "entire complex of nuclear, chemical, and conventional means."

In the mid-sixties the United States was hit by the first crisis of overproduction... of weapons. The conveyors of death were delivering weapons in such quantities that their storage itself became immensely dangerous. Life could not be squeezed into the "set strategy." Procrustes' bed was splitting at the seams. The police of force, devised by Washington, reached a deadlock. Creating threats to other countries, the United States jeopardized its own future. It was necessary to think it over seriously not for any altruism and not because of anyone else, but for purely utilization motives: Would it not be better to shift the emphasis to cooperation?

The fact that the Americans joined the efforts of the states that had already embarked on the course of detente made it possible--without lingering on the periphery of problems--to move to the core of problems, to the erection of the supporting structures of peaceful coexistence and joint security and to the assertion in international relations of the norms of equality and respect of mutual interests. The SALT I treaty, the ABM Treaty, and the Agreement on the Prevention of Nuclear War represented major landmarks on this road and a part of that necessary long process which is expected to make peace more than a mere utopia.

When and why did the process of relaxation of tension begin to slip and then stop and become finally reversed? Several explanations can be offered for what has

happened. They have set their teeth on edge to such an extent that they are resorting to rehashing anti-Soviet statements more out of inertia than anything else. But if it suits those in Washington to seriously render account to themselves they do not consider it necessary to hide the fact that detente was not considered a long-term policy line. It was only seen as a tribute payment to the current situation and demand, as a halt, and as a maneuver to gain time, but by no means as a renunciation of pretensions to exclusiveness and to "leadership"--as H. Truman put it--"in moving the world along the road on which it must be led."

For instance, it is now being stated that the United States consented to the conclusion of the ABM Treaty of unlimited duration because in 1972 it lacked a reliable and--as far as costs are concerned--acceptable technology of the struggle against ballistic missiles. At that time it was more advantageous to have the treaty. However, as a result of the appearance of new scientific facts and technological achievements, the rulers of the United States began to see the treaty as superfluous and even harmful.

Opportunism has once again been elevated to the level of principle. A utilitarian, consumerist view of international law and of one's obligations as a member of the community of nations is cultivated. Former Secretary of State A. Haig proclaims: "We have placed new limitations on the use of force by the Soviet Union and have widened the horizons of security for the free peoples and the peoples fighting for their freedom."

This is how they would have wanted it: They "widened the horizons of security" for themselves and for that purpose they introduced Pershing-2 and cruise missiles to Europe, set up dozens of new military bases in the immediate proximity of the socialist countries, and set in motion the production of even more lethal systems of strike weapons. This for themselves and for their own. As for the others, they are not averse to lowering and narrowing down the very same "horizons" for them and they try to palm off to them the security "of their own tailoring."

One would think that you cannot go any further. But the "society of unlimited opportunities" knows no limits, and C. Weinberger, U.S. secretary of defense, is fighting to make arbitrariness a rule. No agreements that in any way limit the freedom of action of the Americans, no balance of interests because that presupposes consideration of the interests of someone else, and no equal security and parity because that places the United States and the USSR on the same level. To act according to circumstances, "depending on specific cases," the secretary assures us that this is possible if American policy is made completely unpredictable, a policy that throws everyone off the track and causes disarray in the defense of all. By constantly changing its mind, the United States will have the "initiative" and it is not so important that this initiative will be basically counterproductive.

Briefly, the rising tide of the "set strategy" is once again observed, the strategy pursuing the unattainable goal of adapting the world to the whims of Washington. And beginning all over again and lacking real arguments, they draw on the "moral superiority" of the United States. From this "moral" position they proceed to claiming the right to simultaneously act as procurators, judges, and court executors in relation to the "less perfect" states and regimes.

American leaders are systematically suggesting to their audience that the arms on the Western and the Eastern sides should be calculated differently and measured by a different "moral" scale. For, even when Washington fraternizes with the devil, it does so in the name of what is "good." Splitting the policy is an ailment that has been diagnosed and described in detail long ago. Its name is the great power mania or hegemonism.

Yes, the problem of problems of American policy is its unwillingness to recognize the equal status of other countries and peoples. Can it be that Washington is tormented by the ghosts left behind by the colonial empires that have sunk into oblivion? Equality, that is, equality not confined to mere nods in i-s direction but a practiced quality, is a serious matter. The Americans account for less than 7 percent of the earth's population but consume 30 to 40 percent of its overall volume of natural resources. "And since the world's resources are declining," H. Schiller has written in LE MONDE DIPLOMATIQUE, "the all-planet system [vseplanetnaya sistema] is beginning to look like a new frontier for exploitation by the Americans" the frontier where the task is to come to an even more perfect "equality," an equality that has asserted itself in the United States, the country that is famous for the fact that two percent of free inhabitants of this "ultrademocrati" country own nine tenths of its resources.

It is certainly no accident that the toughening of the U.S. foreign and military policies in the seventies coincided with the "oil crisis" and the terror that seized the capitalist world--and the paper equality suddenly grew flesh. It turned out that the economic counterforces alone could not withstand the pressure. The reactionaries of all colors launched a frontal offensive against liberals, pacifists, and other "appeasers," demanding the restoration of America's "former might," the former correlation of forces, and indisputable superiority.

"Their innate inclination to simplification" which, the eminent political scientist C. Hoffman notes, drives the United States' rulers to chronic errors, also manifested itself in this connection. It did not work out on earth. It turned out--just as it turned out for other hunters--that mankind could not be controlled by a bridle like a horse. Oh well, it is possible to throw the lasso from outer space especially if the preparations for "star wars" are combined with the development of a planetary race in offensive missile and nuclear arms.

The last remnants of differences between the United States' foreign and military policies are being obliterated. "In the sphere of foreign policy," Washington has declared, "we have initiated the restoration of our military potential." According to G. Shultz, diplomacy has become an instrument of force and a "limited war," as C. Weinberger states, "is essentially a means of diplomacy, an instrument of bargaining with the opponent." Militarism is penetrating the American way of life more and more deeply and--what is no better--it is more and more strongly gripping the way of American thinking. All in all, this is not surprising in view of the fact that for 4 decades the country has been made to expect the fatal strike from hour to hour, and assured that the only solution is to increase its muscles. "Peace based on force is not a mere slogan. It is a fact." This is what is persistently drummed into the heads of Americans. This "peace" in the American way is not violated by any "short-term invasions" (such

as that in Grenada) that have happened and which, it has to be assumed, will not be prohibited in future either, depending on circumstances.

The "question of risk" has been the "key question of defense planning" for some time. "The critically important question is," the head of the Pentagon said recently, "what level of the threat of a catastrophic war can be considered acceptable." We add as a footnote to this that the "defense" deliberations of all past aggressors started precisely with this "key" and "critical" question. And in this connection U.S. military circles are making debatable the problems to which life has provided mono-semantic answers long ago not under the impact of any kind of external events but "as a result," we quote the secretary of defense, "of a wide overestimation... of our foreign policy and our policy in the sphere of defense."

The "wide" in this context means arbitrary. And so zealous that international treaties are turned inside out and prohibitions are used to derive the "permissions" for Washington to do whatever it takes into its head. The Americans lay claim not only to being masters of their own words but also of the words that belong to other countries and which form a part of the international law and order in order to turn upside down the meaning of the most elementary concepts, the most mono-semantic categories, and the most irreproachable axioms.

R. Reagan has spoken about an ideologization of international relations to the level of "psychological war" and about a "bold re-formulation of the principled moral difference between democracy and communism." To characterize the activities of the present administration Weinberger has used the term "revolution" meaning, judging by all available evidence, overturn [perevorot] or overthrow [nisproverzheniye]. One really has to be afflicted by a willful aberration of view to be able to recognize the arms race as a method of achieving "genuine disarmament," the United States' military superiority as a "stimulus" to bring others to the point of "voluntary concessions," and the militarization of outer space as a fire extinguisher against fires on earth. The "strategic prospect" for the survival of the human race "on a more solid basis than the prospect of mutual deterrence" has been revealed to the self-appointed leaders of mankind alone.

The President and his secretaries have turned the Strategic Defense Initiative into the cornerstone of their military-political doctrines. "We do not know yet," the SDI's apologists admit, "whether it is possible to develop [sozdat] an effective defense system." Therefore "prudence demands" that the offensive forces must be increased. This was stated by the head of the Pentagon in October 1985, sounding a disagreement with the optimistic expatiations of other members of the administration. In November the secretary added: "It is vitally important to ensure that we will be the first to develop [razrabotat] such a system (space-based ABM system--V.F.). For, if the Russians develop [razrabotat] it first, the result will be an extremely dangerous situation in the world. In that event the United States', Britain's, and France's nuclear means of deterrence would be reduced to zero and there would be nothing to prevent the Russians from making a successful first strike." SDI is the point through which they break all the existing security systems on earth and all the systems of international agreement that at present keep security afloat, be it effectively or poorly. It is unclear whether anything will come of it. It is possible that natural laws

will stand the ground against madness and nothing will come of it. But they nevertheless continue to break. They not only try to impose new military technologies that will deprive mankind of peaceful outer space, too, but also to rehabilitate the philosophy of permissibility of everything and of disregard for all eternal values, principles, and norms.

At the November (1985) Senate hearings B. Scowcroft, one of the most widely read authors on military affairs in the United States, said: President Reagan's SDI has led to a situation where "in a certain sense we now have confusion in the sphere of strategy." His assessment is shared by J. Schlesinger, former secretary of defense. Answering the senators' question on what is the situation in "military strategy," he pointed out: "At present we do not have a military strategy." There are loads of weapons but only confusion in strategy: one can only expect harm from such a thundering mixture. They got themselves into this mess and they themselves are getting lost in the enigmas of its consequences. They only know that a "long transition period" will begin at the end of which there will be nuclear weapons and antimissile weapons and all other kinds of weapons. The only thing lacking will be security.

They further define it more precisely that the "transition period" will be the most restive and unstable period that will be fraught with all kinds of possible surprises and complications. This is understandable. The United States has started the SDI adventure in the belief that, being the first to venture into the militarization of outer space and throwing unlimited resources for this purpose, it would be precisely it, the United States, having risen above all others, that will decide who should be rewarded with greater security and who should be punished with lesser security. As far as the Soviet Union is concerned, Washington intends to reduce the USSR's defense potential to zero and to simultaneously adjust its own first-strike system against which there would be no counterweight.

The intention, of which no analogy can be found in contemporary history, to bring the entire U.S. military machine to the level of permanent number-one combat readiness is the core of the SDI program and of the "modernization" program of that entire machine. This is a real war in peacetime. The intention now is to push this war to the utmost limits, the war initiated by the U.S. Administration in the 1946-47 period with the purpose of "increasing to an enormous degree the burden that would make the implementation of the Soviet policy and the functioning of the Soviet system more difficult."

According to Washington's plans, the "transition period" to peace, in which the United States will be the only holder of the sword and shield and the state with a totally mobilized military-industrial base, will coincide with the transition of mankind to the new millennium. In that period the peoples will have the company of the Airland Battle-2000 doctrine, the FOFA doctrine (of carrying out follow-on strikes through the entire depth of enemy defense), the doctrine of "decapitation" of the opposite side in the initial stage of the conflict, and, finally, the "star wars" doctrine, for the time being only roughly sketched but threatening to turn--to borrow the image sketched by L. Leonov--into an "eyeless monster of hundred arms," each of them seeking its own booty.

A majority of people want the future to be better than the past. But as far as Washington is concerned, the main thing is neither a worse nor a better future but a future that will be more American. Both in the literal and applied sense. Explaining in his letter to TIMES [as published] his "Vision of America of 2000," R. Reagan expresses the hope to preserve a mighty and determined block of the United States and other Western countries and the capability of the United States to continue to rely on a "deterrence potential," having mastered the most highly refined technologies.... The President assures us that he is ready to shift to competition for the good of mankind if the Soviet Union accepts the American demands concerning... the arms race in outer space and on earth. And if the Soviet Union does not accept them? Then the "optimism and hopes, justified as never before," will not be realized.

It is an extremely difficult task to make the Americans admit that a world not divided into the blocs that are at loggerheads with each other, an earth not ringed with strike systems like Saturn with its rings, and the human genius programmed for purely peaceful tasks promise more cheerful prospects for all, including the Americans themselves. It will not be possible to solve this task as long as those on the other side of the ocean do not learn to accept white as white and black as black. So long as Washington does not acquire the art of correlating enormous power to constructive political and human goals and as long as it continues to seek its own advantage to the disadvantage of others.

It is the common duty and joint concern of governments and parliaments and of responsible figures of all world outlooks and religions to pass the planet to the coming millennium in a better shape than the shape in which we have received it. And it really is not much that is needed for this purpose: to adopt toward your near and distant neighbors the same attitude which you want them to adopt toward you; to learn that the best security for today and the future is to threaten no one; and to understand and admit that each newly added missile or ammunition charge does not add to peace but shatters peace and does not make mankind richer but poorer.

The Soviet Union has not proposed and does not propose anything else. Peace among people has been our choice since 1917. And a world without weapons, a world of honest cooperation has been our ideal.

There are no issues in international relations which could not be solved through negotiations if respect for one another and patience and tolerance are displayed and if ultimatums, ambitions, and arrogance are left outside the doors of the negotiating halls.

The USSR leadership concentrates its attention on constructive directions, on the search for a better and more peaceful world. This is so because what is involved under the present conditions is not only a matter of confrontation between two social systems but also a matter of choosing between survival and mutual annihilation.

The questions of war and peace and of disarmament control were at the core of the Soviet-U.S. meeting at the highest level in Geneva. For the present the American side did not show itself ready for major solutions that would equally consider the security interests of both powers and strengthen the strategic stability in

the world. This is disappointing but it does not obviate the need for new efforts to stop militarism, halt the arms competition, and arrange joint actions for the good of the world. "The Soviet Union," M.S. Gorbachev emphasized in his speech at the session of the USSR Supreme Soviet, "is a resolute champion of the development of international life in this direction."

The history of the forties should not be allowed to repeat itself, the forties when the matters on hand were given an inch and they took a whole mile. The volume of total expenditures of states for war and the arms race in this century is measured in trillions of dollars. If all these resources were thrown to Moloch to provide tangible proof that no systems or types of weapons can build the bridge to mutual understanding either along or across the gap dividing the peoples, then the lesson may be to advantage even though the learning was expensive. For, it is not obligatorily necessary to wait for pitch darkness to realize the value of light and it is not obligatorily necessary to bring on oneself the "nuclear winter" to value the delight or warmth.

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CSO: 1816/05

MISHARIN ON WORKING OF NUCLEAR NONPROLIFERATION TREATY, IAEA

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 104-109

[Article by R. Zhelezov and V. Misharin: "Nonproliferation of Nuclear Weapons--Important Factor of General Security"]

[Text] A conference for studying the working of the Nuclear Nonproliferation Treaty--the third--was held August-September 1985 in Geneva. In accordance with the treaty, a conference of its subscribers is convened every 5 years "to study how this treaty is working in order to be sure that the purposes set forth in the preamble and the treaty's provisions are being realized."

The Soviet Union--an initiator of the elaboration of the Nonproliferation Treaty--consistently pursues a policy aimed at maintaining its effectiveness and strengthening it in every possible way. The USSR and the other socialist states proceed from the fact that preventing the spread of nuclear weapons, the most dangerous means of mass annihilation, is a central direction in the struggle to remove the threat of nuclear war and curb the arms race and an important factor of maintaining strategic stability regionally and globally. The treaty's leading role in the accomplishment of this task is determined primarily by the fact that an international practice of the nonproliferation of nuclear weapons has taken shape on the basis thereof.

At the present time the opinion is firmly established that the treaty corresponds in equal measure to the interests of all countries--large and small, nuclear and nonnuclear, developed and developing. It creates a substantial basis for states' collective actions in the sphere of curbing the arms race, nuclear primarily. Finally, the conclusion of the treaty created conditions conducive to broad international cooperation in the peaceful use of the atom, which, in turn, is becoming increasingly necessary for the solution of the problem of providing mankind with energy. The coming into force of the treaty strengthened trust between states considerably, primarily at the time of transfers of nuclear materials, equipment, installations and technology, which, owing to the specific features of the process of the use of atomic energy, may be switched to military purposes also.

The Nonproliferation Treaty is the broadest international agreement in the sphere of arms limitation in terms of its scope. At the present time over 130 states subscribe to it. In the 5-year period which had elapsed since the preceding conference to study the working of the treaty it was joined by 17 countries.

The message from M.S. Gorbachev, general secretary of the CPSU Central Committee, to the conferees observed that "the Nonproliferation Treaty, which was formulated by the collective efforts of many states, has proven its viability in practice. Since the time it was concluded not one new state possessing nuclear weapons has appeared." True to its treaty commitments, the message went on to say, "the Soviet Union has done and will continue to do everything in its power not only to prevent the proliferation of nuclear weapons but also to halt the nuclear arms race and turn it back."*

I

The conference was held under the conditions of acute political struggle. At the center of its attention was the question of compliance with the provisions of article VI of the treaty, which stipulates the subscriber-states' commitment "to negotiate in a spirit of good will on effective measures for a halt to the nuclear arms race as quickly as possible and for nuclear disarmament and also on a treaty on general and complete disarmament under strict and effective international control". Many of the conferees emphasized that, in accordance with this commitment, it is essential to stop the nuclear arms race, freeze and then reduce nuclear arsenals and prevent the militarization of space.

The delegations of nonaligned and neutral and also a number of Western countries criticized the policy of a further spiraling of the arms race and its transfer to space. Some of them directly accused the United States of failing to comply with the commitments it had assumed per article VI.

At the same time, however, many of the conferees paid tribute to the USSR's consistent policy in nuclear matters. A new endeavor of the Soviet Union to facilitate the way toward a winding down of the nuclear arms race, contribute to a suspension of the dangerous competition in the buildup of nuclear arsenals and set a good example to the other nuclear states was its decision to unilaterally suspend all nuclear explosions as of 6 August 1985--the 40th anniversary of the atomic bombing of Hiroshima.

Particularly intensive discussion developed around the question of banning nuclear weapons tests, the solution of which would, as the conferees emphasized, put a real barrier in the way of further sophistication of nuclear weapons and the development and creation of new types thereof and would ultimately lead to the destruction of such weapons. Practically all the delegations operated from such standpoints, with the exception of just two--the American and British.

It was emphasized at the conference that a general and complete ban on nuclear weapons testing and the conclusion of the corresponding treaty are the priority step in fulfillment of the commitments envisaged by article VI of the treaty. Approving the new Soviet initiative, many states called on the United States and Britain to subscribe to the moratorium. They expressed the hope that the other nuclear powers--France and China--would also suspend nuclear tests through the conclusion of a treaty on the complete banning thereof.

* PRAVDA, 28 August 1985.

It was observed at the conference that a major step forward in the prevention of nuclear war and a curbing of the nuclear arms race would be a freeze of nuclear arsenals. It was recalled in this connection that at the initiative of the socialist and nonaligned countries resolutions were passed at the UN General Assembly 38th and 39th sessions on a quantitative and qualitative nuclear arms freeze.

On three priority problems directly related to compliance with article VI of the treaty (a moratorium on nuclear explosions, the banning of nuclear tests and a freeze of nuclear arsenals) the group of nonaligned and neutral states, on Mexico's initiative, submitted draft resolutions containing insistent appeals for their positive solution.*

In the course of the conference many countries observed that in the nuclear-space age the curbing of the nuclear arms race is inseparably connected with preventing the militarization of space. The USSR consistently advocates the adoption of urgent measures to prevent the arms race being transferred to space. The corresponding Soviet proposals in the United Nations are well known. Given the active participation of the USSR, the other socialist states and the nonaligned and neutral countries, an auxiliary body of the Geneva Disarmament Conference was set up in 1985 for the study of questions of preventing an arms race in space.

The majority of participants in the conference to study the working of the Nonproliferation Treaty received positively the new Soviet proposals concerning the peaceful conquest of space under the conditions of its nonmilitarization submitted for discussion by the UN General Assembly 40th Session. Keeping space peaceful and beyond the sphere of military rivalry would, as many delegations pointed out, make it possible to advance the solution of an entire set of problems of limiting and reducing nuclear arsenals and would afford broad opportunities for cooperation in various spheres of human activity--on Earth and in space. And, on the other hand, if space is put at the service of war, this will lead to a sharp increase in the nuclear threat and make the arms race even more dangerous.

The representatives of a whole number of states at the conference emphasized that the ultimate goal of the negotiations in the sphere of disarmament, nuclear primarily, should be general and complete disarmament. The importance of the USSR's proposals concerning complete and general disarmament under strict and effective international control was noted.

The delegations of a number of Washington's closest NATO allies and also of certain developing countries spread the proposition concerning "the equal responsibility of the two superpowers" for the new spiral of the arms race. Such "arguments," owing to their manifest bankruptcy, were unsuccessful. The proposals submitted by a group of nonaligned and neutral states for the conference's examination spoke plainly about what was now needed for compliance with article VI, namely, the establishment of a moratorium on nuclear explosions, the banning of nuclear tests and a nuclear arms freeze.

* Documents NPT/CNF. III/L. 1, L. 2, L. 3.

II

A significant place in the work of the conference was occupied by problems connected with compliance with the provisions of article IV of the treaty, which emphasizes the "inalienable right of all subscribers to the treaty to develop the research, production and use of nuclear energy for peaceful purposes" and their commitment "to contribute to the fullest possible exchange of equipment, materials and scientific and technical information concerning the use of nuclear energy for peaceful purposes," with "due consideration of the needs of the developing parts of the world," what is more.

It was observed at the conference that the treaty affords an opportunity for fruitful international cooperation in this field, which under the conditions of the uneven development of different regions of the world and the distribution of material resources connected with the use of atomic energy is absolutely essential.

The IAEA report on its activity connected with fulfillment of article IV of the treaty points out that as of the end of December 1984 there were 345 operating nuclear power units in the world whose total capacity amounted to 220,000 megawatts. They accounted for more than 9 percent of installed power capacity in the world and approximately 13 percent of aggregate power generation. A further 180 nuclear power units whose total capacity constitutes 163,000 megawatts were at the construction stage at this time, and, furthermore, the construction of 14 such units with a total capacity of 11,000 megawatts began in 1984.

According to IAEA data, in the period 1985-1990 the proportion of nuclear power in total power generation will have grown even more. In Belgium it will constitute more than 50 percent, Sweden over 40 percent, Spain and the FRG more than 30 percent and in Britain, the United States, Finland and Switzerland approximately 20-30 percent.*

As the leader of the Soviet delegation observed in a speech at the IAEA 29th General Conference, at the end of 1984 the total capacity of the nuclear power stations operating in the USSR, Bulgaria, Hungary, the GDR and Czechoslovakia constituted more than 30,000 megawatts. In accordance with the plans for the development of the CEMA countries' power engineering, the total capacity of their nuclear power stations in 1985 was to have grown to approximately 40,000 megawatts. A nuclear power station will shortly be commissioned in Romania. The construction of a nuclear power station in Poland is planned. The construction of a large-scale nuclear power station is under way on Cuba. It is expected that in the next 10 years the total nuclear power station capacity in the CEMA countries will reach the level of 100,000 megawatts, and their contribution to power generation will constitute 20-30 percent and more than 40 percent even in individual countries.

Nuclear power engineering is also being developed in the emergent states. There are nuclear power stations with a total capacity of approximately 8,000 megawatts in Argentina, Brazil, India, Mexico, Pakistan and certain other countries,

* Document NPT/CONF. III/10, 28 June 1985, p 4.

which are implementing significant nuclear programs. The construction of nuclear power stations is under way in Egypt and on the Philippines.

The development of nuclear power engineering dictates the need for the corresponding development of the nuclear fuel cycle. Large-scale complexes for the production of enriched uranium--in the USSR, the United States and France and also in Britain, the Netherlands and the FRG, which have set up a joint consortium for this--have taken shape at the present time. According to IAEA data, more than two dozen plants for the enrichment and processing of nuclear source materials were commissioned in a further eight countries in the period 1980-1984.

As the use of nuclear power expands, the prospecting for and development and primary processing of nuclear source materials, as, equally, the preparation of enriched uranium, are undergoing new development.

The majority of states with nuclear power engineering has organized the production of nuclear fuel at the present time. In many of them the preparation of natural and slightly enriched uranium fuel has been brought to an industrial level. Practically all the interested countries possess the production technology of the initial phase of the nuclear fuel cycle.

Increasingly great attention is being paid to questions of the reprocessing of spent nuclear fuel, the quantity of which is increasing constantly in line with the development of nuclear power engineering. As of the end of 1984 more than 30,000 tons of spent fuel had been discharged from nuclear installations, mainly from hydrogen reactors. Only 1,400 tons had been reprocessed. The remainder of it is in storage and, depending on the plans for the development of nuclear power engineering in each country concerned, will subsequently be reprocessed for the purpose of obtaining plutonium or will be taken away for prolonged storage.

Currently, together with the nuclear powers, India, Italy, the FRG and Japan have spent nuclear fuel reprocessing plants. There are plans for a further increase in its reprocessing capacity in these and other countries (in Argentina and Brazil, in particular).

The extensive use of the atom for peaceful purposes is impossible without a further expansion of fundamental scientific research, which is enjoying extensive development in many countries. As of the end of 1984 approximately 400 research reactors were in operation in 55 countries. Hundreds of accelerators of various types have been built in dozens of states. Research is being conducted at the reactors and accelerators into the entire range of problems connected with the further development of nuclear physics, radiochemistry, radiation chemistry, radiobiology and so forth.

One further essential direction of the peaceful use of nuclear energy--the application of radioactive isotopes and radiation in industry, agriculture, medicine and science--has become very widespread also. New nuclear methods are being introduced and more extensive integration between nuclear techniques and nonnuclear methods is under way. All this is now taking place in dozens of countries.

The conference in Geneva examined problems of the peaceful use of nuclear energy, primarily the development of nuclear power engineering and its nuclear fuel cycle. It was confirmed that the Nonproliferation Treaty contributes to the use of nuclear energy for peaceful purposes, and nothing in the document should be interpreted as affecting the inalienable right of any subscriber-state to develop research into and production and use of nuclear energy for peaceful purposes without discrimination and in accordance with articles I and II of the treaty.

The conferees were of the general opinion that nuclear power must be used strictly in accordance with articles I and II of the treaty, which determine the main obligations pertaining to the nonproliferation of nuclear weapons, and that this is of fundamental importance inasmuch as the material base created in the process of the development of nuclear power engineering and its nuclear fuel cycle in nonnuclear countries could also be used for the production of nuclear weapons and other explosives.

A broad set of problems connected with the further development of international cooperation in the sphere of the peaceful use of nuclear power under the conditions of the consistent nonproliferation of nuclear weapons was examined also. The conference requested that the subscriber-states examine possible measures for a further improvement in bilateral cooperation in the plane of compliance with article IV of the treaty. In this context there was detailed discussion of the problem of guaranteed nuclear supplies and a positive assessment was made of the activity of the IAEA Guaranteed Supply Committee.

The conference confirmed the IAEA's leading role in international cooperation in the sphere of the peaceful use of nuclear power. The delegates of practically all countries emphasized that the agency is the sole generally recognized international body for coordinating states' efforts in this sphere. The USSR's significant contribution to the development of international cooperation pertaining to the peaceful use of nuclear power--both bilaterally and multilaterally, within the IAEA framework included--was emphasized in this connection (in the past 5-year period alone the USSR's annual contribution to the agency's technical assistance fund increased almost threefold). Mention was made here of the significance of the measures being implemented on the part of the USSR in respect of affording the developing states which subscribe to the Nonproliferation Treaty certain privileges and benefits. It was pointed out, inter alia, that in 1984-1985 the Soviet Union had granted an additional R1 million along IAEA lines for technical assistance to such countries. The USSR's decision to grant R2 million for the period 1986-1988 for technical assistance within the IAEA framework to the developing states which subscribe to the treaty was greeted with satisfaction.

Characterizing the USSR's substantial contribution to the development of bilateral cooperation in the sphere of the peaceful use of nuclear energy, many delegates alluded to the fact that in the past 5 years the Soviet Union had supplied nonnuclear countries with seven power reactors with a total capacity of more than 3,000 megawatts and assisted in their startup and operation. A further 22 reactors with a total capacity of over 11,000 megawatts are at the construction stage.

The USSR supplies a long list of states (developing, particularly) with nuclear materials and uranium-enrichment services for nuclear power stations and research reactors and nuclear power engineering equipment, contributes to R&D, trains national personnel and dispatches specialists to render technical assistance. It supplies nuclear materials, equipment and instruments for use in industry, agriculture and medicine and for scientific research and affords scientific-technical specialists from other states great opportunities for familiarizing themselves with the achievements of its nuclear science and technology.

Upon examination of the course of compliance with article III of the Nonproliferation Treaty, which provides for the establishment of IAEA control (safeguards) in respect of nonnuclear countries, it was noted that in the time that the treaty had been in effect the IAEA had not detected the switching of meaningful quantities of materials subject to the safeguards to the production of nuclear weapons or other nuclear explosives.

The conferees concluded that the IAEA's work on realization of the safeguards was being performed without obstacles being created for the peaceful nuclear activity placed under such control. At the same time the effectiveness of IAEA control as an important component of the international practice of nonproliferation was pointed out.

The USSR's act of good will--placing part of the Soviet Union's peaceful nuclear activity under the agency's control--elicited general approval. IAEA Director General H. Blix announced at the conference that the agency's inspectors had carried out the first inspections at Soviet peaceful nuclear installations in August 1985.

III

Growing interest was displayed at the conference in the realization of the provisions of article VII of the Nonproliferation Treaty, which recognizes the right of any group of states to conclude "regional treaties for the purpose of ensuring the complete absence of nuclear weapons on their corresponding territories". The opinion was expressed here that the creation of zones free of nuclear weapons based on the freely expressed will of the states of each specific region represents an important measure in the disarmament sphere. Many delegations emphasized that the process of the creation of such zones in various parts of the world should be encouraged for the purpose of ultimately freeing the whole world from nuclear weapons.

The conferees expressed satisfaction with compliance with the Treaty Banning Nuclear Weapons in Latin America (the "Tlatelolco Treaty"). In accordance with the Antarctic Treaty, the status of nuclear-free zone is realized here also. The conference welcomed the signing of the Treaty on the Creation of a Nuclear-Free Zone in the South Pacific.

The existing proposals and the efforts being made at the regional level for the creation in various parts of the world of zones free of nuclear weapons, primarily in North Europe and the Balkans and also in Africa, in the Near East and in other regions, were noted.

All the sessions of the UN General Assembly and the IAEA General Conference of recent years have condemned the nuclear ambitions of Israel and the racist South African regime and their attempts to acquire such weapons.

The conference resolutely demanded the adoption of effect've measures for the purpose of having Israel and South Africa subscribe to the Nuclear Nonproliferation Treaty and accept IAEA control over their entire nuclear activity. It called for a suspension of all relations with these countries in the nuclear sphere.

IV

The culmination of the work of the Geneva forum was the adoption with common consent, on the basis of consensus, of the Final Declaration, in which its participants solemnly declared their conviction that the Nuclear Nonproliferation Treaty is of "importance for international peace and security" and also confirmed their adherence to the treaty and resolve to strive for a further strengthening of its authority. The document notes "the states' resolve to continue to strengthen the barriers in the way of the proliferation of nuclear weapons and other nuclear explosives". It 's emphasized that the treaty itself and the practice of nonproliferation are performing a "central role in promoting regional and international peace and security". At the same time, however, the conference noted with a feeling of serious concern the fact that some states, which are developed in the nuclear respect, are still declining to subscribe to the treaty and mentioned some of them, particularly Israel and South Africa, by name.

The conference evaluated highly the unilateral action of the Soviet Union--the moratorium which it announced as of 6 August 1985 on all nuclear explosions. It appealed to the USSR, the United States and Britain to resume the three-power negotiations on a complete ban on nuclear weapons testing and also invited all states possessing nuclear weapons to participate in the negotiations on this problem--regarding it as a matter brooking no delay--at the Disarmament Conference. Only two states failed to associate themselves with the appeal--the United States and Great Britain.

As the Final Declaration emphasized, there is "concern in connection with... the possibility of the enlistment in the arms race of a new sphere--space."

The conference expressed the belief that the IAEA safeguards ensure confidence that the subscriber-states are abiding by the main commitments they have assumed in respect of the nonproliferation of nuclear weapons and other nuclear explosives. The IAEA safeguards are thereby contributing to the further strengthening of trust between states and their collective security. The nuclear activity in nonnuclear states which has not been placed under agency safeguards, on the other hand, represents a serious danger from the viewpoint of the proliferation of nuclear weapons. The conferees insistently appealed to all the nonnuclear countries which have not yet subscribed to the treaty to assume internationally recognized commitments not to acquire nuclear weapons or other nuclear explosives and adopt the IAEA safeguards in their entire peaceful nuclear activity for the purpose of verification of compliance with this commitment.

The conference insistently called on all countries to take effective steps to ensure that the nonnuclear countries not subscribing to the treaty assume such a commitment. Such steps should be implemented in the process of cooperation in the nuclear sphere, their pursuit of nuclear export policy and, particularly, as an essential basis at the time of the corresponding nuclear transfers. This provision is of great significance for further efforts to strengthen control over nuclear exports.

The Final Declaration expressed satisfaction in connection with the voluntary acceptance by four of the five nuclear powers of IAEA safeguards in respect of part of their peaceful nuclear activity and contains an appeal that the PRC also conclude a safeguards agreement with the IAEA. The conference recommended continuation of the study of the possibility of realization of the principle of the universal application of the agency's safeguards to all peaceful activity in all countries. It recommended continuation of the investigation of the practical possibilities of extending the application of safeguards to new civil nuclear installations in the nuclear powers and study of the question of the delimitation of peaceful and military nuclear activity in the nuclear powers.

The declaration broadly reflected tasks of the further development of international cooperation in the sphere of the peaceful use of nuclear energy in the context of compliance with article IV of the treaty. The conference confirmed that "the nonproliferation and safeguards commitments contained in the treaty are... vitally important for peaceful nuclear trade and cooperation" and that the treaty "is conducive to the peaceful use of nuclear energy throughout the world".

A number of measures was recommended for the purpose of a further increase in the efficiency of IAEA's activity in respect of promoting the use of nuclear energy for peaceful purposes. It is recommended that the agency examine the question of extending assistance to the developing countries in questions of the location, construction, operation and safety of nuclear power engineering facilities.

The conference's decisions emphasize the significance of the safe development of nuclear power engineering and protection of the nuclear facilities placed under the safeguards against armed attack.

A prominent place in the Final Declaration was occupied by problems of compliance with article IV of the treaty. The conference concluded that inasmuch as no agreements had been concluded in the past 5-year period concerning effective measures connected with a halt to the arms race and nuclear disarmament the provisions of article VI and the corresponding provisions of the preamble had yet to be complied with. It was confirmed anew that realization of article VI is important for the preservation and strengthening of the Nuclear Nonproliferation Treaty.

The conference confirmed that the creation of zones free of nuclear weapons based on voluntarily concluded agreements between the states of the corresponding regions is an important disarmament measure. It noted the need for assistance to the creation of new such zones.

Having expressed satisfaction in connection with the fact that the overwhelming majority of states had subscribed to the Nonproliferation Treaty and having recognized the urgent need for the further universality of the treaty, the conference called on all states, particularly those possessing nuclear weapons and also other countries with developed nuclear technology, which have not yet done this to subscribe to the treaty as quickly as possible.

The results of the conference of subscribers to the Nuclear Nonproliferation Treaty are of great international significance. They showed convincingly that the overwhelming majority of countries understands the exceptional importance of this agreement. The success of the conference in Geneva will undoubtedly contribute to a further strengthening of the practice of the nonproliferation of nuclear weapons in the interests of maintaining international stability, curbing the nuclear arms race and removing the threat of thermonuclear war.

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CSO: 1816/05

NEW TYPES OF ARRANGEMENTS BETWEEN TNC'S, THIRD WORLD GOVERNMENTS

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 121-127

[Article by A. Kozyrev and A. Artyukhin: "'New Forms of Investments' in the Developing Countries"]

[Text] The intensive rebuilding of the strategy of imperialism's foreign economic expansion in the developing countries, which had begun in the past decades as a reaction to the young states' intensified struggle for economic independence, has continued in the 1980's. So-called "new forms of investments," which are essentially part of the policy of "technological neocolonialism," have moved into a prominent position in this strategy in recent years. Currently practically all the developed capitalist countries are paying great attention in their foreign economic policy to the "new forms of investments," which have become widespread in many Asian, African and Latin American states.

I

Direct private investments were the classical form of capital investments. But encouragement of the activity of foreign capital on the part of the state power in the developing countries was essential for their efficient performance of the functions of instrument of foreign economic expansion. V.I. Lenin wrote: "They (foreign capitalists--A.K., A.A.) greedily pounce on a young country in which the government is most favorably disposed and obsequious toward capital and in which they find workers who are less united and less capable of fighting back than in the West...."*

At the same time the changing socioeconomic climate in the developing countries, the aspiration of the national state to take possession of the main levers of the economy, the ubiquitous growth of the state sector--all these led to both a narrowing of the sphere of the investment of foreign capital and an appreciable reduction of the efficiency of the application of direct investments. As a consequence there was a decline in the proportion of direct private investments in the total influx of financial resources into the developing countries from the members of the Development Assistance Committee** on a bilateral basis (excluding "aid" and subsidies of various kinds) from 55 percent in 1970-1972 to 27 percent in 1979-1981.*** In 1983 the proportion of direct private investments in the

* V.I. Lenin, "Complete Works," vol 2, p 98.

** The OECD's Development Assistance Committee is made up of 17 developed capitalist countries.

*** "Investing in Developing Countries," Paris, 1983, p 21.

non-oil-producing developing countries constituted only 17 percent* of the sum total of their foreign liabilities. And, furthermore, the given period is characterized by the concentration of these resources in a comparatively small group of states and territories--the so-called "new industrial countries" (Brazil, Argentina, Hong Kong, South Korea, Singapore and Taiwan), "offshore banking centers" and "tax havens" (Panama, Liberia, the Bahamas, the Bermudas and others)--which account for approximately 60-65 percent of the annual influx of such investments into the developing countries.

Thus under the influence of the enumerated factors and also under the conditions of the intensified competition between the TNC in connection with the appearance of "novices"** among them direct investments have continued to play an important part in the foreign economic expansion of the imperialist powers, but the target of their application has become a comparatively small circle of emergent states.

In respect of the majority of developing countries imperialism has been forced to create a new mechanism of economic expansion. A phenomenon which Western economic literature calls increasingly often "new forms of investments" has, in particular, become such a mechanism. Among the latter bourgeois economists put joint ventures and various kinds of contracts: "production sharing," "service contracts," "management contracts," "subcontracts," "turnkey contracts," "product-in-hand agreements," "market-in-hand agreements" and certain others. In fact, however, it is a question, we believe, of noninvestment forms of expansion. The point being that of all the enumerated "new forms" only joint ventures are based on joint-stock-type relations.

They emerged as the result of the enhanced role of the state in economic life and its intervention in the sphere of activity of foreign capital, and we refer, moreover, to an instance where the state's share of the capital stock of joint companies is in excess of 50 percent.

Foreign monopolies are also creating joint companies with the participation of local private capital attracted for various reasons (the specific features of national laws governing foreign investments, local entrepreneurs' better knowledge of a country's home market and so forth). But here the foreign partner, as the stronger, more often than not has control of the company, and it is essentially little different from an affiliate owned entirely by the monopoly. Sometimes some of the stock of the foreign company is acquired by the state for the purpose of creating safeguards and incentives to the participation in this company of national private capital, however, even then control over it is reserved for foreign capital.

"New form of investments" means in this case the type of joint venture in which the participation of the state gives rise to other mutual relations with foreign capital, where the functioning of the latter is placed within a limited framework and is controlled to this extent or the other by the government of the developing country. The emergent states are consenting to such a form of relations with the monopolies owing to the lack not only of financial resources but also technology

* FINANCE AND DEVELOPMENT, March 1985, p 33.

** See on this A. Bereznay, "International Companies of the Developing Countries" (MEMO No 2, 1983, pp 112-120).

and technical experience. Given this type of participation, the foreign partner, besides the contribution of capital stock, undertakes to transfer knowhow and managerial skills. It is precisely in this aspect that the joint venture is linked with "nonstock" forms of expansion.*

This form of joint venture is currently given preference in comparison with other forms of direct investments (the creation of TNC affiliates, for example) by the majority of developing countries, with the exception of the least developed of them, which endeavor to attract investments on any terms, or a number of countries basing their economic development strategy on the stimulation of the completely unlimited influx of foreign capital (Singapore, for example). Naturally, the emergent countries aspire to develop joint ventures in the technologically most complex sectors of the economy. The foreign monopolies, on the other hand, are far more willing to consent to the creation of mixed enterprises in sectors with standard technology not subject to rapid changes. Among these are mining and oil industry, nonferrous and ferrous metallurgy and textile and garment industry and also the relatively technologically straightforward chemical and petrochemical sectors. The monopolies regard participation in such a form of joint venture as a comparatively safe method of obtaining profits and also of supplying themselves with the necessary product (primarily raw material and semimanufactures).

Considering that on the one hand the joint venture is a form of the monopolies' direct investment activity in the developing countries and, on the other, that somewhat different relations take shape between the state and foreign capital than, for example, given the creation of TNC affiliates, the joint venture may be regarded as a kind of intermediate link, between investment and noninvestment forms of the monopolies' intervention in the developing countries. Furthermore, the more state institutions in the emergent countries intervene in economic life, limiting the possibilities of foreign capital's direct investment activity, the more persistently the monopolies seek other forms of relations with these countries, primarily with the strengthened state sector and also, in a number of cases, with augmented national private capital.

II

At the present time it is difficult to make a standardized quantitative appraisal of the correlation of direct capital investments and "new forms of investments" in imperialism's foreign economic expansion in the developing countries as a consequence of the great diversity of the "new forms". But for clarity we may cite the example of the correlation between the annual net inflows of direct investments and the volume of so-called "contract credit" extended to the developing countries, which in fact testifies to the dimensions of the "contract relations" (the most significant type of the "new forms of investments") of the developed and developing states (see table).

* By "nonstock" forms we understand the imperialist powers' pursuit of economic expansion not directly connected with investment activity (for example, within the framework of "contract relations"--for more on this see below--based on the use of loan capital and so forth).

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Net direct investments (\$, billions)	11	16.2	11.7	8
"Contract credit" (\$, billions)	38.5	37.4	38.6	38.8

Calculated from "Geographical Distribution of Financial Flows to Developing Countries," OECD, Paris, 1984, p 269.

"Transfers for technology" grew almost fivefold in the period from 1970 through 1981 (from \$600 million to \$2.9 billion).* Among these are payments and compensation for the right to use industrial property (pertaining to patents, licenses and trademarks), for knowhow and managerial and consultant services and transfers for technical assistance and engineering services connected with industrial and civil construction and equipment supplies. Furthermore, the bulk of these amounts is the profit of the firms rendering such services and also concluding license and other agreements for the right to use industrial property, knowhow, long-term managerial contracts and contracts for other services. In the FRG, which actively employs both direct capital investments and the "new forms," the correlation between direct investments and the volume of contracts, "turnkey" contracts, in particular, in 1978-1979 constituted DM3.3 billion and DM5.7 billion respectively.** Albeit indirectly, these figures testify to the place of the "new forms" in the strategic policy of a leading imperialist state in respect of the emergent countries.

A prerequisite of the new forms of mutual relations between the developed capitalist and developing countries is the technological and technical superiority of the first to the second, as a result of which a kind of "export of technology and technical experience" to the emergent states occurs. Whereas previously contacts between the TNC and the developing countries were organized more often than not in accordance with the "direct investments--profit--possibility of access to raw material sources" formula, where the last aspect was not essential, the essence of the new relations now is revealed by the formula: "technology--profit--possibility of guaranteed acquisition of raw material," and its third part does not take precedence, what is more. Even the "joint-stock" form of relations or, as mentioned above, the joint venture is accommodated perfectly well in the second formula. However, the various forms of "contract relations" correspond to it to a far greater extent.

The simplest form of "contract relations" between the TNC and a functioning national enterprise are those which arise at the stage of production of the commodity. Their distinguishing feature is that the TNC's partner in the developing country is, as a rule, national private capital. A prevalent form of such relations is the conclusion of so-called "subcontracts" or subcontract agreements.

Certain conditions are necessary for the signing of contracts of such a type: the negligible size of the local companies, the low level of technology which

* "New Forms of International Investment in Developing Countries," OECD, Paris, 1984, p 120.

** Calculated from "Investing in Developing Countries," p 17; "Transnational Corporations in World Development. Third Survey," New York, 1983, p 259.

they employ and strong competition between local producers on the market of the given developing country. In this situation the foreign monopoly selects one or several firms and concludes "subcontracts" with them. In exchange for guaranteeing the local producer the marketing of his products at prices acceptable to him the monopoly establishes the production standards (frequently resorting to the modernization of equipment) and strictly controls the quality of the product produced. If the "subcontractor"-enterprise manufactures the finished product, it is sold under the trademark of the foreign firm. As a result the local enterprise becomes a kind of affiliate of the monopoly with which it has concluded the agreement since the latter, having made available to the "subcontractor" its own production standards, can exert considerable influence on it.

"Contract relations" such as arise between the INC and the government of a developing country within the framework of contracts for the performance of contract work prior to the creation therein of some facility or enterprise or prior to the performance of a certain type of operations on its territory have become a prevalent type thereof. This type represents a more veiled form of the imperialist powers' foreign economic expansion than "subcontracts". One of the first types of such contracts was "production sharing," which appeared roughly simultaneously with the joint venture, primarily in the oil industry.

According to the "production sharing" contract, the foreign company undertakes, for example, the search for deposits in the developing country and, in the event of the discovery of reserves sufficient for commercial exploitation, makes available equipment, knowhow and the necessary personnel, receiving for this a fixed part of the product. The oil produced within the framework of the "production sharing" contract is provisionally divided into two parts: "cost oil" and "profit oil". The first part (usually 20-40 percent) of the liquid fuel is earmarked for compensation of the foreign partner's expenditure on geological prospecting and organization of the production of the oil, that is, goes to compensate initial production costs. Its second part is the actual profit of the state and the foreign company. The state's share of this part fluctuates per the "production sharing" contracts from 15 percent (in Chile, for example) to 85 percent (in Egypt).

The right to control a project is usually reserved for the developing country, however, in practice operational control is entirely concentrated in the hands of the foreign company. A joint company is frequently formed on the basis of "production sharing" with the participation of the state and the foreign firm. "Production sharing" is widespread in Indonesia, Nigeria, Libya, Egypt, Malaysia, Peru and certain other developing countries producing oil and also in those which are only just about to embark on its production.

"Service contracts," which are also most prevalent in the oil industry, are another type of such "contract" relations. Such contracts appeared for the first time at the end of the 1960's in Iraq and Iran and subsequently in other oil-producing countries (Venezuela, Nigeria, Brazil and so forth). In accordance with the "service" contract, the foreign company undertakes only the geological prospecting and performs its obligations up to the time the oil is discovered.

Two varieties of such agreements exist in practice, however. Among the first are the contracts according to the terms of which the so-called exploitation risk is borne by the foreign company, and all the exploitation costs by the state. In exchange for the services it grants the foreign company acquires the right to purchase the recovered oil (most often from 20 to 50 percent) at a 3-10 percent discount from the world price level. This variety of "service" contracts is encountered most often in Argentina, Peru and other countries. The second type of such contracts is prevalent in countries possessing substantial proven oil reserves and the necessary financial resources (in Saudi Arabia, Kuwait, Qatar, Bahrain and the UAE, for example). In this case the government of the developing country bears the exploitation risks, while the foreign company receives for its services compensation in the order of a fixed part (usually less than 1 percent) of the price of a barrel of oil and also the right to purchase a certain proportion of the recovered oil, but without a discount.

Contracts on "turnkey" terms, which were particularly prevalent in the latter half of the 1970's, have been the most typical and often encountered type of contracts, which have initiated an entire pleiad of such agreements. Thus the average annual volumes of such contracts concluded by West German companies in the developing countries in 1978-1979 were 96 percent higher than in 1972-1974.*

Monopoly capital is interested in agreements on "turnkey" terms primarily with states possessing the currency-financial resources for large-scale industrial construction and also with those in which its investment activity is seriously limited; naturally, both these conditions could coincide. The geography of the greatest prevalence of such contracts is the oil-producing countries of the Near East and also Africa. For the bulk of African states "turnkey" contracts in the latter half of the 1970's-start of the 1980's were the most important form of the agreements with foreign monopolies.

But from the viewpoint of the interests of the developing countries "turnkey" contracts have a number of serious negative features. The main one is the limited opportunities for gaining the experience necessary for operating the enterprises which have been built. Partly because of this these enterprises suffer from a chronic underloading of production capacity, a consequence of which is not only the inadequate economic returns from their activity but, in a number of cases, a complete suspension thereof altogether. As a result more complex types of agreements are now coming to be concluded--on "product-in-hand" and "market-in-hand" terms.

In respect of the first of them the obligations of the contractor-firm are supplemented (compared with the "turnkey" contract) by the bringing of the enterprise to the point of manufacture of the finished product and the reaching of planned capacity and also the training of local managerial personnel. Contracts on "market-in-hand" terms represent an example of an even more complex form of the mutual relations of the contractor-firms and the developing countries. Apart from all else, the contractor assumes commitments in respect of the marketing of the entire product of the enterprise which has been built or part of it. The agreement between the French ("Sofetin") firm and the Nigerian

* See "Transnational Corporations in World Development. Third Survey," New York, 1983, p 259.

Government on the creation of a complex for the production of iron ore concentrate serves as an example of such contracts.

III

A further type of "contract relations" arises in the course of the TNC's extension to the developing countries of technological and managerial experience--a kind of "invisible capital". Within the framework of these relations the TNC, as a rule, transfer not material resources (financial resources or machinery and equipment) but certain "experience". More often than not such relations encompass the state sector of the host countries (as distinct, for example, from "subcontractors"), but they may also be established between the TNC and national private firms.

A third type of relations is engendered most often given the conclusion of "management" contracts. The main purpose of the developing countries here is obtaining managerial experience and knowhow inasmuch as in time managerial functions are to be transferred to local personnel. Foreign companies consent to the conclusion of such contracts quite readily, guided primarily by the goals of obtaining profit frequently in excess of the income from direct investments in analogous enterprises, and with a total absence of risk, what is more. The income of the manager-firm is usually stipulated at a fixed rate in the contract. If the enterprise has yet to be built, it constitutes, as a rule, a certain percentage of the sum total of annual investments in the project. The foreign company receives this percentage for the granting of knowhow and the performance of engineering functions and, in the course of operation of the enterprise, a share of the net value of the annual sales of the product for management.

For a long time foreign capital determines all the most important directions of the activity of the new enterprise. As a whole, the duties of the manager-firm are similar to the administrative and technical functions of the foreign company upon the creation of an affiliate thereof in a developing country. These duties include: a) general management (current and forward planning activity); b) financial management (obtaining loans, control over the state of liquid assets); c) administrative and personnel policy; d) production control (purchase of the necessary production components, operation and maintenance of the enterprise, quality control); e) organization of marketing.

Thus in concluding a "management" contract the foreign monopoly has the opportunity for practically complete control of the enterprise's activity on the local market and for directing it depending on its own interests. For the purpose of maintaining the maximum control for as long as possible the foreign company tries to be not unduly precise in stipulating upon conclusion of the contract its obligations pertaining to the time taken to train local managerial and technical personnel ("in a reasonable period of time," for example).

Very often a "management" contract is concluded prior to the construction of the enterprise. In this case the manager-firm exercises general supervision of its construction and selects the contractors and subcontractors. In addition, the foreign company often undertakes to purchase a fixed proportion of the product. The conclusion of a "management" contract together with a license agreement also is very prevalent.

The said type of the TNC's relations with a developing country could also arise within the framework of "licensing contracts" and also a variety thereof--"franchising contracts". Licensing contracts are usually only encountered in relations with the most developed emergent countries which are themselves capable of organizing production in accordance with the licenses which have been granted, that is, have the necessary technological and technical level of development and the corresponding experience. The conclusion of such contracts has become particularly prevalent in Mexico, Brazil, Columbia, Peru and Venezuela.

Franchising contracts are usually concluded between a national private company of a developing country and a universally known monopoly. In this aspect "franchising contracts" are very close to "subcontracts". As a rule, franchising contracts are concluded in garment industry and liquor and cigarette production. In entering into such an agreement the TNC obtains income without the direct investment of capital and also ensures publicity for its trademark. The contract between the Ugandan Century Bottling Company and Coca-Cola, which was concluded in 1983 and in accordance with which the latter also undertook to prepare a feasibility study for a new plant of the Ugandan firm and subsequently to render it "technical assistance," may serve as an example.

Practically all the "nonstock" forms of contracts are combinable with the joint-stock form--the joint venture. The performance of a variety of contract operations with the subsequent acquisition of stock in the newly built enterprise by the contractor-firm is very prevalent. A "management" contract is often concluded simultaneously with the creation of a joint company. Thus in 1978 a contract was signed between the government of Sierra Leone and the Swiss Aluswiss Company on the formation of a joint enterprise with a 50/50 division of the capital stock. It is headed by a board of directors of six persons (three from each side). But, in addition, the government concluded with Aluswiss a contract for "management" of the new enterprise for a 10-year term. In 1976 the Panamanian Government and the American Texagulf company signed a similar agreement on copper mining in Sierra Colorado within the framework of a joint company and, in addition, concluded a "management" contract for a 15-year term. There are more complex combinations also. For example, at the end of the 1970's the Nigerian Government and the American Kellogg firm signed a contract concerning the construction on "turnkey" terms of a plant for the production of nitrogen fertilizer in Port Harcourt. Kellogg also has a contract for the "management" of this new facility and owns part of the enterprise's capital stock.*

IV

If the use of the joint-stock and "nonstock" forms of foreign capital's expansion in the developing countries are examined compositely, a highly interesting full circle can be detected. Initially direct investments in the form of TNC affiliates in the developing countries were transformed into joint ventures. Then a variety of contracts began to move to the fore. However, subsequently many developing countries began to insist that the contractor-firm or manager-firm acquire part of the stock of the new enterprises. Thus as a result of the evolution of the terms of the fulfillment and application of these contracts foreign capital returns once again, as it were, to the developing countries.

* See AFRICA ECONOMIC DIGEST, 20 October 1981, p 18.

The "new forms of investments" are based primarily on the emergent countries' technological dependence on the West. Consequently, it is utterly wrong to speak of the "new forms" as the purely investment activity of foreign capital, which is what bourgeois economists are trying to prove, inasmuch as in reality it is a question of new forms of the economic expansion in the developing countries of imperialism as a whole.

The endeavor, however, to reduce all these forms merely to investment activity is an attempt to camouflage the methods of implementation of neocolonial policy. In addition, it is easy to discern here an attempt to impart a uniform "investment" base to the developing countries' relations with different groups of states, socialist included.

An important reason for the active use of "contract" forms is the possibility of the monopolies deriving substantial profits. It has to be noted that the profits, according to the above-mentioned contracts, are liable to tax at considerably more favorable rates than the profits on direct investments, and the procedure of their transfer is simpler in the first case. In addition, the "nonstock" forms of expansion afford the monopolies an opportunity to secure for themselves guaranteed supplies of raw material on the basis of the "contract relations" and also to exercise at times fuller and more comprehensive control over the activity of the facility functioning within the framework of these relations, and at the same time the risk for the TNC, given their use, is considerably less.

"Contract relations" enable the imperialist powers to penetrate the developing countries' markets and their economy as a whole very effectively and contribute to these countries' increased attachment to the world capitalist economy. In addition, monopoly capital as a whole can also influence the geographical direction of the developing countries' foreign economic relations.

Thus as a consequence of the state's predominant position in key sectors of the economy Western companies' participation in the performance of contract work in Algeria is in fact the main method of foreign capital's penetration of the home market and the country's economy. This activity enables it, in particular, to secure for itself orders for supplies to Algeria of the product whose manufacture locally will be organized subsequently, following the commissioning of the contracted facility. It is such methods of the activity of foreign capital which make it possible to understand why the capitalist countries' share of Algeria's commodity turnover constitutes approximately 90 percent.

What is it, however, that the developing countries find attractive in "contract relations"? Primarily the outward equality of the parties compared with relations arising on the basis of direct investment activity. But the main factor is the developing countries' endeavor to gain access to advanced technology on the basis of which it might be possible to create efficient national economic potential. However, a detailed analysis of "contract relations" permits the conclusion that in the majority of cases the developing countries do not fully achieve these goals.

The TNC, as a rule, transfer to them not the latest but to a considerable extent "spent" technology, and this is expressed in practice in the transfer merely of certain technical skills and elementary managerial experience. Consequently, the existing technology gap is not diminishing but growing, increasing the opportunities for the "economic blackmail" of the emergent states on the part of the imperialist powers. Moreover, the extent of integration of the new facilities created within the "contract relations" framework in the developing countries' national economy is negligible, which exerts a negative influence on their socioeconomic development as a whole.

Thus the "new forms of investments" by no means alter the nature of economic relations between the developed capitalist and developing states. There is the same exploitation of the second by the first, only more subtle, better adapted to the political and other conditions of the modern world and using the interests of the emergent countries' development for their own purposes. The outflow of resources from the developing countries continues, and they are tied more closely to the world capitalist economy--economically, technologically, via the sphere of management, equipment maintenance, product marketing and so forth. Although some of the developing countries' current problems are being solved here within certain limits, as a whole the uneven nature of their mutual relations with the West is preserved.

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CSO: 1816/05

BLOC ACADEMIC CONFERENCE ON THIRD WORLD SOCIOECONOMIC DEVELOPMENTS

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 135-137

[K. Varentsov report: "The Emergent Countries: New Phenomena in Socioeconomic Development"]

[Text] The eighth session of the Multilateral Cooperation Problem-Solving Commission of the socialist countries' academies of sciences, "Economy and Policy of the Developing Countries," in which representatives of academic establishments from Bulgaria, Hungary, the GDR, the Republic of Cuba, Mongolia, Poland, the USSR and the CSSR took part, was held 15-18 October 1985 in Prague. Besides discussion of organizational issues concerning the socialist countries' cooperation in the sphere of study of the problems of Asian, African and Latin American states in the next 5-year period (1986-1990), a scientific session was conducted. Two main papers were delivered and discussed in the course thereof: "New Phenomena and Trends in the Developing Countries in the 1980's--Certain Problems," which was presented by Prof L. Dvorak (CSSR), and "New Phenomena in the Emergent Countries' Political and Socioeconomic Development," which was delivered by Prof G. Shirokov (USSR).

The papers observed that in the first half of the 1980's changes had to a far greater extent affected the economic and social sphere of the life of the developing countries than the directly political sphere. The considerably increased involvement of the emergent countries in the international capitalist division of labor has made them more susceptible to cyclical influence. Furthermore, as economically weaker countries in an unequal position in the world capitalist economy, they experienced the crisis of the start of the 1980's and its consequences more severely. For the first time since the war a decline in both total and per capita gross domestic product was observed in them. Although both these indicators have begun to grow, in 1985 also the per capita gross domestic product remained below the 1980 level. In addition, there is reason to believe that through the end of the 1980's the developing countries' economic growth rate will be lower than the average level of the 1960's-1970's.

This is determined to a considerable extent by the unfavorable trends in the sphere of accumulation. First, there is a decline in the proportion of external resources which may actually be used for investment purposes. On the one hand there is a decline under the conditions of the increased instability of the developing countries' economic situation even in the absolute influx into them of foreign capital in all forms and, on the other, an increase in the outflow of

profits. For this reason it is impossible under present conditions to either increase the accumulation norm or overcome the crisis phenomena in the economy thanks to external resources. Second, the efficiency of accumulation is declining owing to the increased capital-intensiveness of the gross domestic product. This is connected both with the unfavorable impact of the world market (the deterioration in trade conditions, imported inflation and such) and negative domestic phenomena (lack of import components, underuse of installed capacity and so forth).

It may be assumed that with the attenuation of the economic growth rate the structural changes in the developing countries' national economy will slow down also. On what is this assumption based? First of all, in the agricultural sphere the rate of increase in per capita production in all the developing countries was extremely low in the first half of the 1980's. A direct decline even in per capita food production was observed in Africa. Under these conditions the emergent states were forced to revise development strategy, shifting the accent to transformations in agriculture, mainly its food sector. As far as industry is concerned, import substitution has already led to saturation of the home market with the finite-use industrial product. At the same time, however, the wave of new protectionism is holding back the development of the export-oriented processes to an increasingly great extent. In other words, it is the market and not capital which is to an increasingly large extent becoming the inhibitor of industrial growth. Under these conditions the majority of developing countries has once again been forced to shift the accent to the import-substituting development of industry. Finally, the decline in the economic growth rate itself is usually accompanied by far less change in the demand for new-type commodities. Whence the slowing of structural transformations in the economy, in any event, through the end of the 1980's.

These most important problems stood out not only in the main papers but also in the speeches of Academician M. (Shiman) (Hungary), Prof W. (Sadzikovskiy) (Poland), Prof P. Petkov (Bulgaria), Dr A. Golub (CSSR), Dr N. Ordnung (CSSR) and other scholars who took part in the discussion.

Currently, the speakers emphasized, the developing countries' foreign debt, which at the end of 1984 constituted \$900 billion, has assumed tremendous proportions. Annual debt service payments are now in excess of \$150 billion, that is, 50 percent of the debtor-countries' export proceeds, whereas in 1979 they constituted 36 percent. In the period 1981-1984 many developing countries were forced to seek a rescheduling of the debt: such was carried out for more than 40 states. It may be assumed that the debt will for a long time be a principal factor holding back the economic growth rate and structural rebuilding in the developing countries for it has now become the main instrument of neocolonial expansion.

These features were reflected in the speeches of Prof E. Rey (Cuba), V. Volskiy, corresponding member of the USSR Academy of Sciences, Prof K. (Merdel) (GDR), Dr L. (Lang) (Hungary) and other participants.

The frontier of the 1980's was characterized by an acceleration of the pace of capitalist transformation in all countries developing along the capitalist path. At least four new phenomena may be observed in this process, G. Shirokov noted in his paper.

First, the acceleration of capitalism from below thanks to the transition to capitalist methods of activity of the lower groups of the traditional privileged classes and, in a number of countries, of the upper stratum of direct producers has accelerated. The distinction from the preceding period is that a broader field for the development of capitalism is being created now. But semistatal forms are arising simultaneously, which is expanding the opportunities for an exacerbation of the contradictions within the local bourgeoisie.

Second, the ever increasing movement of capitalist enterprise out of the sphere of the urban economy and the appearance of a pronounced stratum of capitalist businessmen in agriculture and the services sphere, which has been characteristic primarily of the Afro-Asian countries, has been observed. This has signified the formation of a base of the diversified reproduction of capital and the consolidation of its national foundation.

Third, the formation of the TNC and the expansion of their operations in the developing countries on the one hand regulating and limiting the actions of the state in respect of foreign capital has led, on the other, to a pronounced growth of joint ventures in these countries. The result has been the enlistment of part of the local bourgeoisie in relatively close cooperation with foreign capital. A change is occurring here in the positions of part of the bourgeoisie in its attitude in respect of imperialism and its policy in respect of foreign capital and the conditions of its activity in the developing countries.

Finally, in the atmosphere of the high growth rate and structural rebuilding of the economy and expanding relations with the world capitalist economy local capitalism developed thanks to the assimilation of new spheres of activity having hardly any affect on the traditional precapitalist sector. Under the conditions born of cyclical and structural crises the further development of capitalism in the emergent states is occurring thanks to the destruction and transformation of the traditional structures. The growth of unemployment and social tension in the developing countries is a most important indicator of this process.

The contradictory nature of the impact of capitalist development on the social sphere of Asian, African and Latin American societies was noted in the speeches of Prof J. Cesar (CSSR), Prof R. Avakov (USSR), Prof R. Wuensche (GDR), Prof J. Traveso (Cuba), Dr D. Haysanday (Mongolia), Prof F. Vyhodil (CSSR) and others.

The development of local capitalism is markedly complicating the social structure of the developing society. The new stage of the scientific-technical revolution, the transference to the developing countries of modern technology distinguished by a capital-intensive and labor-saving nature, is occurring in an atmosphere of destruction of the traditional structures and "demographic explosion". As a result the contradiction between the pace of transformation of the economic and social structures is arising and intensifying continuously. While taking possession of the production sphere to an increasingly great extent capitalism is transforming the social structure very much late and with tremendous difficulties: whereas it is penetrating the production sphere to an increasingly great extent, the bulk, and in many countries the overwhelming part, of the social structure remains precapitalist. As a result a so-called

"dual society" is taking shape in which capitalist and precapitalist structures coexist and interact. It is in this latter that a decline in the population's living standard is observed. And as distinct from the past, furthermore, the numbers of the population living below the poverty line are growing not only absolutely but also relatively.

The slowing of the economic growth rate and the decline in per capita income have clearly revealed a further distinctive feature of the formation of the socio-class structure of the developing countries. The numbers of unemployed are growing the most rapidly here. The bulk thereof is being formed here not owing to a reduction in employment in the production sphere as a consequence of the introduction of new technology but thanks to the "demographic explosion" and the destruction of the traditional structures.

Under these conditions there has been a growth of social tension in practically all countries developing along the capitalist path, which has been reflected in the growth of the opposition to the antipopular policy of these countries' ruling circles. But the social tension here has grown primarily in the precapitalist structures.

Certain new trends have also been ascertained in the domestic policy development of states of a socialist orientation. The advancement of a number of them along the path of social progress has been slowed or has come to a halt even as a consequence of unfavorable external and internal conditions. There is now a real threat that some of these states will forfeit the gains they have made. At the same time, however, an intensification of the revolutionary process on the left flank of the socialist orientation is observed. A struggle for transition from a national-democratic system of power to a political arrangement of the popular-democratic type (that is, to the power of the alliance of the working class, peasantry and nonproletarian working strata) is unfolding here. This is leading, in turn, to a heightening of the vanguard role in society of revolutionary-democratic parties building their activity on the principles of Marxism-Leninism.

Speaking at the closing of the session, Academician Ye. Primakov (USSR), chairman of the Problem-Solving Commission, observed that the 10-year experience of the cooperation of the socialist countries' academies of sciences in study of the problems of the emergent states permits the assertion that the measures being pursued within the framework of the commission are an effective means of mobilizing and uniting the socialist community's scientific potential in study of the economy and policy of Asian, African and Latin American countries. Multilateral cooperation orients the socialist states' scientific establishments toward topical subject matter and modern research methods.

Summing up the discussion, Ye. Primakov emphasized that the opinions of its participants concurred apropos the increased role of the developing countries in world politics, production and exchange. However, this does not mean that the young states have already succeeded in overcoming the gap in economic development between them and the developed capitalist countries. A clearly expressed trend of a decline in the relative significance of agriculture and an increase in the share of industry in the gross domestic product may be observed also. This testifies to a gradual crystallization of the industrial, industrial-agrarian and industrial-rain material structures in the developing world.

At the same time attention is called to the certain disproportion between the dynamics of the sectorial structures of production and employment. The decline in the numbers of those employed in agriculture and the increase therein in industry, particularly in the sphere of services and trade, are manifestly inadequate to the scale of the decline in the relative significance of agriculture and the increase in the share of industry and the sphere of services and trade in the sectorial structure of production. This disproportion is largely the basis of the political instability and also of the continuing influence of traditional institutions of social and political processes in a number of developing countries.

A most characteristic feature of the current stage of the development of the young states has been the TNC's persistent penetration of their economy. In connection with the marked rapprochement of part of the local bourgeoisie and foreign capital there has come to be talk in the West about the disappearance even of the anti-imperialist nature of the present stage of the emergent countries' development. Without belittling the significance of this phenomenon, which has become characteristic not only of the highest strata but also a certain part of the middle and even petty bourgeoisie, it has to be noted that not the entire local bourgeoisie has found itself pulled into the orbit of the TNC. Whence the at times sharp contradictions between different detachments thereof leading to social tension in the young states, the negative attitude toward the activity of foreign capital and the TNC in a number of them and, consequently, the preservation of the anti-imperialist nature, at a qualitatively different level, it is true, of the present stage of the Asian, African and Latin American countries' development.

Ye. Primakov observed that in the course of the joint research of the scholars of the socialist countries a new approach had been worked out toward study of the problems of the emergent countries' development from the viewpoint of their fundamental, constituent features--multistructural, peripheral and transitional character. An important conclusion had been drawn concerning the gradual maturation of new internal and external factors bringing about the conversion of the dependent type of development into independent, concerning the ongoing differentiation and polarization of these countries in the course of development along the capitalist path and along the path of a socialist orientation and also concerning the possibility of the emergence (together with the socialist orientation) of conservative versions of noncapitalist development and the new role of superstructural and external factors in these countries' development.

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CSO: 1816/05

BOOK ON NATURE OF 'INTERNATIONALISM' REVIEWED

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNNYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 141-143

[A. Grachev review: "Vitality of Internationalism"]

[Text] There is hardly another aspect of the contemporary revolutionary process which has been subjected to such ferocious attacks on the part of the class enemy and so distorted and falsified by it as the internationalism of the international workers movement.

Inveighing against proletarian internationalism, both bourgeois ideologists and opportunists concentrate their efforts primarily on attempts to counterpose the international essence of the revolutionary process to national forms of its implementation. Persistent attempts are made here to prove the impossibility for any political party of being simultaneously both a national force taking into consideration the specific features of its own country and part of an international movement of fellow thinkers united by common goals and solidarity in joint struggle.

As the framework of the world revolutionary process develops and deepens and expands, the acute ideological confrontations surrounding the problem of the dialectical interconnection of its two dimensions--the international and the national--not only do not abate but are stimulated. The question of the correlation of the national and the international in the struggle which is unfolding in individual countries and on the scale of the whole world for national and social liberation, democracy and peace is being asked themselves both by representatives of the new detachments of working people joining it and the new generations of the working class accumulating their own experience of revolutionary protests and at times encountering different problems and realities than their predecessors.

This is why such importance is attached to the task not only of recalling the fundamental principles of Marxism-Leninism on this key issue, the justice of which has been confirmed many times over by the historical experience of both successes and individual failures of the international revolutionary movement, but also of "inscribing" these propositions in the present day and showing the permanent value of the international unification of the efforts of the working class and its revolutionary parties in the struggle for democracy, peace and

social progress. The recently published collective work of Soviet scholars* contributes to the accomplishment of this crucial and complex task.

A principal merit of the book in question is the fact that it convincingly confirms the objective need for the international unity of national detachments of the contemporary working class based on a detailed analysis of the specific conditions in which the revolutionary, anti-imperialist struggle of the working people in various countries is currently developing.

Actively refuting the propositions being planted by bourgeois ideologists in the workers movement concerning the "incompatibility" of the national interests of the working people of each country individually with their international solidarity, the authors rightly observe that proletarian internationalism by no means denies the national principle in the consciousness of the proletariat but merely strives to ensure that the national idea in the workers movement be consistently class-based (p 122). Such an approach not only does not infringe the true national interests of the peoples of individual countries in the least but, on the contrary, ultimately proves to be a guarantee of their full realization. "Correctly understood 'national interest'," the monograph emphasizes, "does not countenance national egotism and national narrowness" and "must not be counterposed to internationalism but be seen in organic combination therewith" (p 255).

The book adduces many convincing examples pertaining not only to the past but also to our day testifying that the "national idea" counterposed to proletarian internationalism and ignoring international experience has weakened the positions of the working class in the solution not only of international but also national problems. These examples confirm for the umpteenth time the soundness of Lenin's conclusion that "only by throwing out all wild and stupid national prejudices and only by merging into a single alliance the workers of all nations can the working class become a power, repulse capital and achieve a serious improvement in life."**

The authors pay increased and perfectly justified attention to an analysis of factors of contemporary world development which, in spite of the fashionable propositions concerning the "obsolescence" and "archaism" of proletarian internationalism, confirm the ever increasing significance of this most valuable weapon of the international working class. The further integration of the capitalist economy, the expanding activity of the TNC, attempts to stimulate the political integration of bourgeois states and the imperialist powers' direct, coordinated interference in the internal affairs of other peoples should be attributed in our day to the factors conditioning the formation and development of the internationalist consciousness and seriously confronting the working class with the question of an intensification of international solidarity.

The global consequences of the deepening crisis of capitalist society, which are being manifested in the economic, sociopolitical and social spheres, in the ecological sphere and in the immeasurably increased danger of thermonuclear war

* "Revolyutsionnyy protsess: natsionalnoye i internatsionalnoye" [The Revolutionary Process: The National and the International], Moscow, Izdatelstvo "Mysl", 1985, p 341.

** V.I. Lenin, "Complete Works," vol 23, p 376.

and dramatically confront all mankind with the question of the possibility of his survival and development prospects, constitute a particular group of problems increasing many times over the need for the combination of the efforts of the working class of different countries and the enlistment in the struggle which it heads of the broadest strata of working people and all democratic forces.

Today, under conditions where the consequences of the world crisis of capitalism are assuming a planetary nature and the foreign policy adventures of the imperialist powers are threatening a catastrophe of global scale, the historic significance of the international solidarity of the working people is becoming increasingly obvious.

The inseparability of the dialectical connection of the national and the international appears particularly strikingly in the question of the struggle for peace and against the threat of nuclear war for in this case it is a question of simultaneously a patriotic and international, humanist task. One further fundamental quality of proletarian internationalism, which has never been a barrier separating the working class from other democratic and progressive forces, namely, its capacity for serving as the nucleus of broader anti-imperialist solidarity and mass democratic movements, is also revealed distinctly in this struggle. It is proletarian internationalism which is today assuming crucial new tasks connected with the salvation of all of human civilization and the preservation of peace.

Summing up the analysis of the contradictions of the current stage, the authors--and, undoubtedly, following them, the book's readers--reach the logical conclusion that in our day "struggling for one's own, national interests within the framework of one country is in practice becoming increasingly less possible if interaction is not developed simultaneously with the working people of neighboring countries and all countries of one's region and increasingly with the working people of other continents and also primarily between peoples of the socialist and nonsocialist countries and between the working people of the developed capitalist and developing states" (p 232).

This natural conclusion, which is based both on preceding experience of the development of the international workers movement and on present-day realities, moves to the fore the question of the objective criteria of internationalism. Both earlier and now also they are determined by the solidarity of the working class primarily with its revolutionary detachments which are at the forward edge of the struggle for the socialist goals of the workers movement. Naturally, a special place in the broad solidarity with the working class of all countries, national liberation movements and all democratic forces of the world is occupied by the question of the attitude toward the Soviet Union and the CPSU and the countries of real socialism, which act in the world arena as the bastion of all and are struggling against nuclear war and for national liberation, democracy and socialism.

With the formation of the world socialist system, which was in itself to a considerable extent a result of the international efforts and selfless struggle of various detachments of the revolutionary, democratic and antifascist forces, proletarian internationalism was enriched considerably. A new, higher form thereof--socialist internationalism--took shape representing the development of proletarian internationalism as applied to relations between socialist states.

The present new phase of the fraternal countries' rapprochement has nothing in common with the "limited sovereignty" concept being ascribed to the socialist community by bourgeois propaganda for it presupposes a consolidation of the voluntary and mutually profitable alliance of equal states united by a common ideological-political basis, the advantages of socialist economic integration and joint foreign policy interests.

"The CPSU considers it its international duty," the draft new version of the program emphasizes, "together with the other fraternal parties, to strengthen the unity and increase the might and influence of the socialist community. The progress of socialism's competition with capitalism and the future of world civilization will depend to a considerable extent on its strength, the successes of the creative activity of each country and the purposefulness and concerted nature of their actions."

Real socialism represents today the highest achievement of the international workers movement and a most important springboard of the world revolutionary process. It is for this reason that solidarity with the Soviet Union and the other socialist countries naturally represents the main objective criterion of proletarian internationalism. However, it does not signify here either an infringement of the national and class interests of the working people of other countries or the revival in some "disguised" form of the concept of a "single center" from which, as bourgeois propaganda asserts, the world communist movement is controlled. The CPSU proceeds from the fact that the more complex mechanism of the international unity of the parties and all present-day revolutionary forces corresponds to the present more mature phase of the communist movement's development. It is a question, as M.S. Gorbachev emphasized at the CPSU Central Committee October (1985) Plenum, of the "dialectical unity of diversity," a unity which "encompasses the entire living fabric of the real socialist world, the worker and communist and national liberation movements and all movements against reaction and aggression and for peace and progress."

Naturally, under the conditions of the absence of an "international revolutionary center" there is a manifold increase in the responsibility of each party for preservation of the purity of Marxist-Leninist theory, the theoretical interpretation of practical experience and implementation of the principles of proletarian internationalism.

Without, of course, exhausting the entire content of such a complex subject, the monograph in question nonetheless represents a useful contribution to the collective process of the elaboration of ways of strengthening the class alliance of working people of the whole world--a most important guarantee of the successful solution of the urgent and acute problems currently confronting mankind.

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BOOK ON S&T REVOLUTION, INTENSIVE DEVELOPMENT IN WEST

Moscow MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA in Russian No 1, Jan 86
(signed to press 13 Dec 85) pp 144-146

[A. Mileykovskiy review: "Intensification of the Economy in Capitalist Countries"]

[Text] The book in question* was written by associates of the USSR Gosplan Research Economics Institute. It is interesting and topical in that the problems of scientific-technical progress (STP) and the structural rebuilding of the economy in the developed capitalist countries are analyzed from the viewpoint of practical recommendations connected with the transition of our country's economy to the intensive path of development.

The examination of the trends, factors and contradictions of the intensification of the economy in the capitalist countries through the prism of the tasks confronting the Soviet economy determined the choice of methodology of the study and the content of the work. At the center of the analysis are questions of the so-called structure-forming factors, to which the authors attribute STP and the modernization of the production machinery on the basis thereof; the enlistment in the economic process of manpower with a high level of general and vocational training; development of the production, primarily information, infrastructure; and the state-monopoly regulation and structural policy of the capitalist states. In our opinion, the choice of method of factorial analysis as an instrument of research is entirely justified. It makes it possible not only to study sufficiently fully the structural shifts occurring at different levels of capitalism's economic system but also to determine the directions of the further development of the economic structure, reveal the contradictory nature of the corresponding processes and evaluate their socioeconomic consequences.

A modernization of the material-technical base of industry ultimately brought about by an appreciable slowing of the growth rate of the economy and social labor productivity, the interweaving of cyclical crises of production with fuel-raw material, currency-finance, food and ecological crises, unchecked inflation

* "Kapitalizm 80-x godov (Obostreniye strukturnykh protivorechiy v ekonomike)" [The Capitalism of the 1980's (Exacerbation of Structural Contradictions in the Economy)]. Exec. eds. G.I. Karkhin, doctor of economic sciences, and G.A. Shpilko, candidate of economic sciences, Moscow, Izdatelstvo "Mysl", 1985, p 302.

and unemployment of unprecedented proportions has been under way since the mid-1970's. This modernization has been geared to an increase in the competitiveness and the accelerated development of sectors of advanced technology and the information service sphere, a rebuilding of the fuel-energy complex and an improvement in organizational-managerial structures, in short, to an intensification of production, which has been undertaken extremely actively, albeit at a price of huge social costs, since the mid-1970's in all the main capitalist countries without exception.

The authors legitimately begin the analysis of these directions with a description of the changes in bourgeois states' scientific-technical policy of the period of the mid-1970's-end of the 1980's, which have imparted new impetus to STP and structural changes in the economy of the main capitalist countries, primarily the United States. The work shows convincingly that the accelerated development of scientific potential (modernization of the R&D base, provision with the latest computers and new instruments and equipment) and the improvement of the structure of the scientific personnel, the research itself and the organization of the management of this important sphere of the economy have in the said period become pivotal in states' policy in respect of science. For its part, this has accelerated the rate of development of scientific research and ultimately ensured major innovations of a labor-, material- and energy-saving nature.

Great attention--and this is legitimate--is paid in the book to the development and introduction of progressive techniques and the sectors connected therewith (microelectronics, robot assembly, new biotechnology and others). The authors rightly emphasize that the modernization of the production machinery based on the use of microprocessor equipment, robots, the latest construction materials and biotechnology is ensuring a considerable increase in the efficiency of the functioning of all sectors of the economy. We have to agree with their opinion that under current conditions and in the long term it is these processes which could be the firm basis of the formation of a progressive economic and industrial structure and an increase in the production of the end product given a stabilization of or a relative decline in the consumption of material and labor resources.

We would note that these and similar intensification processes are illustrated by carefully selected material which takes into account not only the contemporary achievements of the main capitalist countries but also their scientific process stock oriented toward the creation of the equipment and technology of the 21st century.

Attention is legitimately paid to the plans and programs for the structural rebuilding of power engineering, which, as American forecasts claim, for example, is paving the way toward the so-called "post-oil age," although oil, gas and coal will evidently for a long time to come be the principal energy carriers supplying the economy of the United States and the other capitalist countries.

Theoretical and practical importance is attached to the analysis of the singularities and contradictions of the modernization of the traditional sectors--ferrous metallurgy, auto assembly and machine building. As is known, it was

this which engendered the so-called structural crises of capitalism and chronic mass unemployment. The impact of these factors of destabilization of the capitalist economy are being intensified by an arms race of unprecedented scale diverting huge resources from industrial consumption.

The examination of the complex of sectors of the production infrastructure (chapter 3) would appear perfectly justified. The growing role of the infrastructural complex as a condition of the intensification and increased efficiency of production is rightly mentioned, and its impact on the change in sectorial and intersectorial proportions, the development of the regional structure of the economy and the solution of energy and ecological problems is shown. The analysis of the directions and singularities of the information infrastructure is of great interest. The authors' attempt to provide a generalized description of this most dynamic subdivision of the infrastructural complex and show its growing role in securing a high rate of technical progress and accelerating the transition to new forms of production intensification is to be welcomed.

The chapter on the use of manpower under the conditions of the scientific-technical revolution is interesting from the theoretical and practical viewpoints. The analysis of these problems is particularly topical for the period of the 1980's since the inevitable result of the scientific-technical revolution is the release of a large number of workmen swelling the already populous army of unemployed and also major changes in the sectorial and vocational-skills structures of employment.

It is significant that the thought concerning the need in one's lifetime to assimilate three and sometimes four new occupations with a simultaneous rise in the general educational and vocational level has become firmly established in the minds of workers of Western countries. Fear of losing their jobs is forcing them to make shift and to study constantly, using all opportunities and part of their free time for this.

The chapter "Crisis of the System of State-Monopoly Regulation and Programming" deals mainly with specific measures of regulation of the economy by economic policy methods. There is actually an analysis here of the measures from the sphere of market and long-term programming aimed at the modernization primarily of the industrial sectors, the use of state levers of the introduction of inventions and the expansion of the system of guarantees given the help of which the state assumes part of the risk pertaining to private capital investments in industrial sectors which are particularly important from the viewpoint of the national economy. It is hereby shown convincingly that the so-called market economy is nothing other than the further growth of monopoly capitalism into state-monopoly capitalism, and not only in sectors of the military-industrial complex, furthermore, but essentially in all sectors of capitalist industry. Incidentally, the authors have to be chided for the fact that in concentrating the analysis on the peaceful sectors of the economy of the developed capitalist countries they paid manifestly insufficient attention to the military-industrial complex.

It should be said in conclusion that the monograph raises topical and important questions encompassing the broad spectrum of the development of the capitalist

countries' economy. The scholars logically conclude that the structural and other transformations being implemented in the capitalist economy are incapable in principle of leading to the anticipated results either from the viewpoint of an increase in the rate of economic growth and the efficiency of the economy or, even more, in the aspect of securing social stability. This conclusion is confirmed by the entire experience of recent years of the development of the capitalist economy. Its inherent contradictions, instability and imbalance not only are not abating but, on the contrary, are increasing, to which the increasingly frequent crisis production recessions, the growing scale of chronic unemployment and the protracted currency and raw material crises testify. The modernization of the economic structure in all countries of the capitalist world is being realized at a price of tremendous social costs, and the working people are having to bear the brunt of capitalist rationalization, which is increasing class conflicts and inflaming the domestic political situation. The authors have shown this eloquently, on the basis of numerous examples, revealing the antisocial thrust of the measures of neoconservative economic and social policy, in whatever country they are being implemented.

The book will undoubtedly find a broad readership among practical workmen of industry and the planning-economic and business authorities. It will enrich with new knowledge VUZ lecturers and propagandists and graduates and college students--all who are interested in the new phenomena in the economy of contemporary capitalism.

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